WODEN

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“The mistake people make is thinking the story is just about marketing. No, the story is the strategy.”

“If you make your story better, you make the strategy better.”

PARTNERS

Ed Lynes, Dan McDonough, Jr.

CREATIVE TEAM

Rachel Fox, Hannah Landers, Kenly Craighill, Mike Dea, Dante Pannell

HITTING THE SWEET SPOT

By Hannah Landers

At the height of the early 2000s American cupcake craze, Crumbs Bake Shop appeared poised to take the cake.

What began in 2003 as a joint venture between a legislative counsel and her entrepreneur husband in New York's Upper West Side had rapidly become a national, publicly-traded business. There was no limit to the gourmet bakery's flavor arsenal—Crumbs boasted 75 different flavors, including the Margarita cupcake with vanilla cake and a lime-flavored cream cheese frosting, and the Cappuccino cupcake, which was filled with the bakery's "signature" coffee cream cheese. Crumbs offered these flavors in packages ranging from the small, one-inch "Taste" cupcake that allowed even the strictest dieter to indulge their sweet tooth, up to the 6.5-inch "Colossal" cupcake that served six.

From Washington D.C. to Beverly Hills, Crumbs offered something for everyone everywhere. By 2010, the typical Crumbs location generated more than $1,000 in annual sales per square foot—on par with McDonald's.

Fast-forward only four years: Crumbs had announced that it would be closing its remaining store locations permanently after its stock plummeted, and CEO and co-founder Jason Bauer had departed. How did such a sweet tale turn sour in such a short time? There's more to blame for Crumbs' fed-up customers than the brand's rapid growth or trendy products. Plenty of organizations have rocketed to success thanks to products that appear to be nothing more than a fad. Rather, Crumbs' failure to establish a clear, compelling brand story from day one rendered it an empty shell once customers had gorged themselves, and the company sputtered out.

The boom and subsequent bust of the cupcake fad seems to be an obvious culprit for Crumbs' downfall. Yet Magnolia Bakery, a few years older than Crumbs, still generates $40 million in annual revenue and has established locations across the U.S. and internationally. Two former Tennessee Titans players recently opened a branch of the Gigi's Cupcake franchise in Texas and instantly became spokespeople in Microsoft's latest commercial. Plus, The Great British Bake Off continues to attract audiences worldwide.

Crumbs co-founder Jason Bauer said it

best: "When people stop eating dessert, they'll stop eating cupcakes."

Bite-sized cupcake peddler Baked by Melissa experienced a period of rapid growth comparable to Crumbs' after opening its first retail location in New York City's Union Square in 2010—and is still around to tell the tale. Within only six years, the company was operating 13 retail stores and shipping its miniature goodies nationwide. The company is still thriving today, earning millions of dollars and even spawning a cookbook by founder Melissa Ben-Ishay.

Baked by Melissa built its narrative around Ben-Ishay's personal story and her family ties. After losing her job as an assistant media planner, Ben-Ishay decided to turn her passion for baking into a fulltime gig. An opportune tasting event with a well-known caterer shortly after charting this course set the company on the fast track to success. Even before Ben-Ishay knew that she was launching a business, she had already established the crucial brand story that facilitated her company's growth. Since then, Ben-Ishay has shaped the strategy of her business around this story of the sweetness that comes from creating something memorable with family and friends by one's side.

This story is woven tightly into everything that Baked by Melissa does, from the company's name and logo—which includes the iconic tie-dye cupcake that was once a beloved familial treat—to the design of the company's stores, one of which is decorated with images from Ben-Ishay's personal scrapbook. Ben-Ishay even infuses the brand story into her flavor combinations, choosing those that she associates positively with her childhood experiences.

Crumbs, on the other hand, never bothered to invest in a strategic narrative. Initially, founder Mia Bauer spoke of her desire to launch "a neighborhood bakery" where she could establish relationships with the families in that neighborhood—a statement that could have easily served as the foundation of the Crumbs brand story.

But Crumbs failed to make this message actionable in a meaningful or apparent way. The brand's New York locations were "nondescript," containing a case full of cupcakes and not much else. There was nothing within Crumbs' stores or customer service that made these locations feel like a gathering place for the community, somewhere where the baker knows your name and the names of all of your children. Each new store opening across the U.S. only further highlighted this lack of personality or community connection; the Crumbs store in Los Angeles was virtually indistinguishable from the Crumbs in Philadelphia. The frenzied cupcake craze allowed Crumbs to grow revenues quickly, but after the sugar high wore off, customers saw that Crumbs' brand was simply empty calories, devoid of anything meaningful or sustainable. While it's true that Crumbs was a family-run bakery from the start, the spark that brought the brand to life didn't stem from a love of baking, but rather an entrepreneurial itch that would be sated had the Bauers opened a shop that sold ice cream, cookies, or any other number of

sweet treats. Consumers don't love brands for the purpose of conducting commerce; they evangelize for them because they see them as kindred spirits on the same journey.

Since the organization was rooted in profit over purpose, it was inevitable that Crumbs' baking philosophy would take a sharp veer from Mia Bauer's original homegrown bakeshop. Although she mentioned the nostalgic appeal of eating a cupcake in an interview with New York Family, Bauer's idea of the cupcake as an "individualized dessert that can be specific to your tastes" became the tactic that drove each and every cupcake. This led to the bakery's use of all sorts of flavors, fillings, and decorative touches in an effort to create a cupcake for anyone—something the brand tried to fashion into a brand story of sorts, but ultimately fell short as more and more bakeries specializing in nontraditional flavor pairings and elaborate embellishments popped up. Features and benefits are nothing if not easy to imitate.

Finally, Crumbs tried to hang its chef's hat on the fact that it launched the gourmet cupcake trend, introducing novel flavors and other decorative trappings at a time when the cupcake world was far more black and white (or chocolate and vanilla). This claim, however, is one that is easily refutable—and not very substantial in the first place.

Magnolia Bakery had already been in business for nearly 10 years by the time Crumbs opened its first store. Although Magnolia offers a variety of different confections, the bakery's cupcakes—which rocketed to fame after appearing in an episode of Sex and the City—have always been a mainstay, made in such nontraditional flavors as Snickerdoodle and chocolate hazelnut banana.

But Magnolia didn't build its brand on its status as one of the first gourmet cupcake bakeries. Magnolia has rooted its story in its image as the classic, American bakery, making cakes, cupcakes, and other goodies by hand in small batches to ensure a certain level of quality in each treat. Magnolia carries this message through the nostalgic décor in each store and its variety of classic pastry offerings, from muffins and cookies to pies and cheesecakes. Magnolia invested in the right brand story before opening its doors and infused that story into all the company did before embarking on a 200-location massive expansion.

While any budding business can capitalize on passing trends for quick revenue growth, buzzwords, product fads, and imitation can't make an organization sustainable. What keeps a brand vibrant in perpetuity is the brand story that engenders real connection with customers—and it must be in place before the organization is ready for growth. Strategic narratives shape everything that a business does, from product to marketing strategy to internal culture. Without this essential roadmap, organizations end up with half-baked growth that ends up turning out more bitter than sweet.

DEFYING DISRUPTION

By Hannah Landers

The white dress. The flowers. An inevitable choice between chicken or fish. The months of stressed out planning and coordination. Whether this year or fifty years ago, there isn't much that's changed about planning or attending a wedding. Sure, trends have come and gone—those who attended weddings with special, couples-themed hashtags, flower-crowned brides, or succulent-based arrangements understand this better than most—but the core elements of the American wedding have remained largely unchanged. But not for lacking of trying.

The average wedding costs around $38 thousand, and that adds up to annual wedding spending of $72 billion in the U.S. alone. When it comes to trading vows, cutting cake, and jetting off on a honeymoon, couples are willing to pay big for the day of their dreams. No surprise, a bevy of startups seek to to turn those dreams into a reality, using technology and creative thinking to put a modern spin on traditional ceremonies in an attempt to lower stress levels for all involved, from wedding guests to the happy couple.

And yet, startups aiming to disrupt this enormous, entrenched, traditional industry have been largely unsuccessful, even though it appears a prime target for disruption. Loverly, for example, raised millions on the promise to "put the capabilities of a wedding planner right in your pocket" with a concierge app and other digital planning services, but failed to maintain the fundraising momentum necessary for success. The site now exists as a wedding-focused blog and no-charge planning resource. Vow To Be Chic, a web-based service to rent bridesmaid dresses founded on the idea of "bring[ing] the wedding industry into the 21st century," went from $10 million in funding to

ceasing operations in the span of only four months.

What these and other doomed would-be wedding innovators failed to take into account was that some industries simply cannot be disrupted in the same way that a brand such as Uber has rocked the transportation industry, or that Airbnb has with vacationing. With deep roots in historic and religious tradition, the wedding industry—as commercialized as it may have become—is resistant to the cutting edge, futuristic connotations that industry disruptors herald. True disruption requires not only innovation, but an established sense of what cannot change, and anchoring any advances on those key cornerstones of the industry.

When Vow To Be Chic first launched in 2015, CEO Kelsey Doorey felt she had a firm understanding of the problem facing the many women who had been asked to be part of a friend's, sister's, mother's, or other relative's special day.

"I've been a bridesmaid many times and so I knew the pain point, and [the bridal industry] was one that was ripe for disruption," she told The Knot in 2018.

The industry's key players certainly reflected that need for transformation. Amidst the proliferation of smaller boutiques and purely online dress outfitters, bridal behemoth David's Bridal filed for bankruptcy in 2017 (though the brand has since bounced back with a new structure and increased emphasis on customer experience). Even smaller, seemingly stalwart bridal brands, such as Alfred Angelo Bridal, which had locations across the U.S. as well as a robust wholesale business, succumbed to bankruptcy and closures.

Doorey observed that rather than coordinating schedules for an entire bridal party to settle on a single bridesmaid dress at a brick-and-mortar shop, women were increasingly looking to save that time and make their budgets go further—especially for a dress that many will wear once, then toss in the back of their closets. Vow To Be Chic was founded on those ideas of increased efficiency and affordability.

"That was really our goal, to help brides and bridesmaids save time and save money," she said in the same interview with The Knot.

Vow To Be Chic allowed bridesmaids to rent their dresses for the big day and then return them via mail to be dry cleaned and rented by another bridal party, instead of compelling bridesmaids to shell out hundreds of dollars for a more traditional gown that required hours of searching and fittings. The ease and affordability that men have enjoyed in renting wedding-ready tuxedos would be accessible for women's wedding-wear, too.

However, an increasing number of bridal parties (up to 63 percent in 2018—the year Vow To Be Chic shuttered) opted to wear different dresses, giving many bridesmaids looser guidelines to follow; if price and ease of purchase were the only thing on a bridesmaid's mind, she could look to any number of sites—including the immensely successful Rent the Runway,

which launched its own wedding-specific rental service around the time Vow To Be Chic closed—for the perfect gown. While Vow To Be Chic was certainly a quick, affordable option for bridesmaids, it was far from disruptive: merely an incremental improvement that was not able to live up to its promise.

Vow To Be Chic was able to correctly diagnose the elements of the wedding industry that required change: the high markups and hassle of carting an entire bridal party to one location, and asking them all to seek out and try on dress after dress until everyone settles on a winner. However, the brand failed to recognize the experience of discovering the perfect gown, one that will make the wearer look and feel beautiful, and complement the bride on her once-in-a-lifetime day. Absent that experience, little set Vow To Be Chic apart beyond features and benefits that were better delivered by other players, leading to its demise.

As Union Station, another wedding rental company that has since pivoted to solely selling dresses online, discovered, that moment of seeing the dress in person is when a bridal party truly enjoys the experience of dress shopping, and appreciates new advancements capable of upending the way the industry has functioned in the past.

“You get the dress right before the wedding; oftentimes, somebody needs alterations,” said founder Corie Hardee in an interview with Vox. Those looking for a disruptive experience seem to be looking to buy, not rent. Floravere, another women’s wedding-wear startup, took the lessons of both Vow To Be Chic and Union Station to heart, but with a different angle.

“Fashion in particular sort of cuts out all of these different populations that are not represented in the brand, and we felt like that was really important to us,” said Floravere cofounder Molly Kang said of the firm in an interview with NowThis News. “And we’re both also Asian American, so in terms of diversity, we always wanted to make sure that felt like it was part of the brand from day one.”

In shopping for her wedding dress after getting engaged, Kang and cofounder Denise Jin realized that many wedding dresses weren’t compatible with the average woman’s body; stores often only carry sample sizes, which run small to begin with.

“The whole thing just felt really uncomfortable and really outdated—just not the kind of experience that you think wedding dress shopping is going to be,” Jin said in the same NowThis interview. Floravere recognized that for disruption to occur, it need to be based in that in-person experience.

A New York Times story on bigger brides from as recently as spring 2018 covered women who had been photoshopped to look thinner in engagement photos and others who had been squeezed into a tiny sized dress in order to get an idea of what it might look like. Writing for Glamour, one plus-sized bride not only registered her disappointment at the limited range of sample sizes (“...you might be pleasantly

surprised at how much you like a dress when you can actually put it on," she writes.), but also expressed her outrage at the $100 to $200 fees that many designers charge for dress sizes 14 and above (research has indicated that 68 percent of American women wear a size 14 and up).

Floravere offers different styles of affordable, designer gowns up to size 30—and, later, diversifying its sample sizes to include those beyond a size 12—directly addressing a broken, outdated piece of the overall wedding industry. Brides select their dress (or dresses) conveniently online, then greet their stylist at one of the brand's nine locations across the U.S. for a personalized wedding dress boutique experience.

Floravere also recognized the aspects of the wedding dress shopping process that couldn't change—the things that make it truly magical when a bride finds her dream dress. Wedding dress shopping is often a time-consuming, collaborative, and hands-on process for a reason: On the day when all eyes will be on her, a bride wants to ensure that she chooses the perfect dress, no matter how many styles she has to browse or suggestions she needs to wade through from both stylists and loved ones.

This process usually starts online, but it's rarely smooth sailing once brides hit the racks: While it's easy enough to pinpoint the perfect gown on Pintrest, finding that same dress in-person can be impossible. By allowing brides to select the dresses they'd like to try, and actually providing them in the correct sample sizes, but without eliminating that magical, in-person dress-up session that's so integral to knowing which dress is "the one," Floravere has been one of the few wedding innovators who has successfully achieved disruption—precisely because it knew what not to change. The brand preserved the sanctity of tradition, while making the dress shopping experience more affordable, inclusive, and easier.

Convincing any industry to completely change the way it has been operating for years, no matter how outdated or inefficient that industry may look on the outside, requires perfect alignment of product and purpose. But in certain industries, those promises of innovation can only take a brand so far; customer attitudes, personal connections and emotional attachment to existing experiences must be respected as part of the disruption process. The wedding industry illustrates the boundaries that brands must work within to achieve the adoption that validates their disruption. After all, the more an industry changes and improves, the more the foundational components of experience mean—and the more tightly customers hold to them.

DEADLIER THAN CYANIDE

By Hannah Landers

"No more tears."

For more than half a century, Johnson & Johnson has made this promise to families across America. The tagline is specifically for its baby shampoo, but it's a commitment that could apply to any of the products that have become synonymous with the brand.

Johnson & Johnson manufacturers health and wellness products for some of the most precious populations in society, such as the Band-Aids that soothe a child's skinned knees, or the aforementioned "no tears" promise of its baby shampoo. These products are built on trust that the company is behaving in a way that puts the customers that need it first, and that everything else, including profits, will come after.

That promise can be boiled down to a handful of words: the Johnson & Johnson Credo. This foundational document was created in 1943, and describes the company's responsibility to its customers, employees, communities, and stockholders. Despite this clearly articulated promise, however, Johnson & Johnson is one of many companies that has played a part in the ongoing opioid epidemic that has caused the death of nearly 400,000 Americans in a decade.

The opioid epidemic isn't the first time that Johnson & Johnson has had to reckon with the death of its customers; in the early 1980s, seven people in the Chicago area died after ingesting Tylenol pills that had been laced with cyanide. Marketers at the time predicted the best-selling Tylenol brand would never bounce back from such a tragedy, but its current ubiquity has long since disproven this.

What differs between the ways in which the Johnson & Johnson of yore handled concerns over consumer safety, and the pharmaceutical giant's actions as of late?

Where the Credo clearly guided the ways in which Johnson & Johnson reacted to the news of the tainted Tylenol, the company's response to its role in opioid crisis has not been consistent with the Credo's "values that guide our decision-making."

Effective organizations build their brand around a clearly articulated ethos like the Johnson & Johnson Credo for a reason. Not only does such a narrative communicate core values, establish a brand's personality, and provide a framework in which a brand must operate; the brand promises laid out in the Credo—and in similar brand stories—create an authentic connection between a brand and all of its stakeholders. The story provides direction, and audiences expect the brand to behave in a way that aligns with it. When a brand does not, it leaves a promise unfulfilled with enormous consequences.

Johnson & Johnson was founded in 1886 by three brothers looking to create a line of easily useable surgical dressings. From developing the first commercial first aid kits to the first mass-produced sanitary products for menstruating women, Johnson & Johnson has spent decades building a history of serving the most basic, health-related needs of its customers in order to help them live healthier, more well-rounded lives.

This promise was formalized with the creation of the Credo shortly before the company became publicly traded. As the brand prepared to leave the control of its founding family, the Credo cemented a century of history by articulating the company's commitment to its various stakeholders. Notably, the Johnson & Johnson brand story ranks its responsibility to consumers as first and most important:

"We believe our first responsibility is to the patients, doctors and nurses, to mothers

and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to provide value, reduce our costs and maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our business partners must have an opportunity to make a fair profit."

While brand stories provide a framework for growth, they also become a company's "North Star" in turbulent times. Following the Credo guided Johnson & Johnson's actions in the face of its then-largest tragedy: the aforementioned Tylenol incident.

The mysterious string of poisonings unfolded in the Chicago suburbs over a series of just a few days, beginning with the death of 12-year-old Mary Kellerman on September 29, 1982 due to cyanide poisoning. As the death toll rose into the first few days of October, investigators tracked the cyanide to Tylenol; all of the victims had taken the popular painkiller shortly before they passed away.

At the time, Tylenol was Johnson & Johnson's most successful product. It accounted for 17 percent of the company's net income, and 37 percent of the $1.2 billion analgesic market. Tylenol was vital to Johnson & Johnson's financial performance, and the crisis created competing priorities between what was best for business, and the Credo. Ultimately, the company chose the one best for those to whom it had pledged its responsibility: consumers.

Almost immediately, the company recalled 31 million bottles of Tylenol from shelves across America—a move that seems all too common today, but was relatively unheard of at the time. "Before 1982, nobody ever recalled anything," the managing director of a public relations firm told The New York Times in a 2002 article looking back at the recall. "Companies often fiddle while Rome burns."

For Johnson & Johnson, the choice between profit and the safety of consumers was not a choice at all: following the Credo would not permit anything else. When it was clear the "high quality" the document calls for was missing, the company wasted no time in aligning behind its guiding brand narrative. Johnson & Johnson not only recalled every single bottle of medication, poisoned or not; it put processes in place to ensure something like this never happened to its customers again.

Even when investigators learned that the pills had been altered following the manufacturing phase, effectively exonerating the company from direct responsibility for the deaths, Johnson & Johnson followed its Credo in making its products safer. The company worked with the FDA to develop tamper-proof packaging that has since become industry-standard. Johnson & Johnson also went back to the drawing board for its product design, ditching the one that allowed someone to pry open the capsule and alter the medication, and instead opting to coat the drug with gelatin to ensure the pill could still be easily swallowed, but not easily tainted. The company also ran ads explaining how to exchange Tylenol capsules for a bottle of pills with the improved design, and issued

coupons to reimburse consumers for any Tylenol they may have trashed following the incident.

While the recall and subsequent re-launch of Tylenol cost the company more than $100 million, the return on investment for following through on its brand promise was priceless: A year after the incident, the brand's share of the analgesic market—which had tanked to 7 percent after the poisonings—bounced back to 30 percent; only five months after the poisonings, Tylenol sales were 96 percent of what they were before the incident.

More than 30 years later the brand is facing a similar crisis: its role in the mounting deaths of those addicted to opioids. Today's Johnson & Johnson is struggling to follow through on the brand promises outlined in its Credo, and the impact is life-or-death.

The opioid epidemic began in the late 1990s and early 2000s when doctors started prescribing opioids to more and more individuals suffering from chronic pain despite little scientific study of the potential effects. The problem snowballed as the prescribed became addicted, and then moved on to the better, cheaper high provided by illicit drugs like heroin and fentanyl, and furthermore as medicine cabinets were raided for those who looked to buy prescription drugs illicitly.

Purdue Pharma, maker of the bestselling OxyContin, has (rightfully) taken much of the blame for destroying countless lives throughout this crisis. Recently, however, other pharmaceutical companies—including Johnson & Johnson—have come under fire for the role they played in not just making these highly destructive drugs more widely accessible, but in marketing that opioids were a safe, reliable solution to doctors and patients alike. In JAMA Network Open, a medical journal published by the American Medical Association, researchers revealed that geographic areas across the United States with a high level of opioid marketing experienced a higher rate of overdose deaths from opioid painkillers. A research letter published in the same journal pointed to the aggressive marketing tactics of one company in particular, Janssen Pharmaceuticals—a subsidiary of Johnson & Johnson.

In an Oklahoman civil trial that tried Johnson & Johnson for its role in the state's opioid epidemic, a woman who lost her son to an overdose (after he was prescribed them for a back injury) placed the blame firmly on the healthcare giant. "My problem with Johnson & Johnson is that they did not give appropriate information with regard to the opioids they were distributing," she told The Guardian. "They said possibly 1 percent of people taking opioids would become addicted, when they knew the number was far greater."

Johnson & Johnson has been forced into the courtroom to face 2,300 lawsuits in state and federal courts related to its involvement with opioid products. And, in some cases, even litigation was not enough to push the company to try to resolve its mistakes: When a judge in the aforementioned Oklahoma case ordered Johnson & Johnson to pay more than $570 million to the state—a far lighter penalty

than the company's investors had expected—the company swiftly announced it would appeal the decision.

Unlike its swift and proactive moves to protect the lives of its customers in accordance with its Credo during the Tylenol crisis, Johnson & Johnson has abandoned its longstanding brand message in its response to its role in the opioid epidemic.

Hewing to a brand promise can be difficult, because it puts emphasis on authenticity and the long-term value of the brand over immediate concerns. In ignoring the Credo—and responsibility for its mistakes—Johnson & Johnson seems determined to prioritize its own results, rather than preserve its trust-based relationship with consumers. The results have been meaningful. One study revealed that, in a ranking of the 58 leading pharmaceutical companies, Johnson & Johnson had fallen from 9th to 57th place. This loss of faith led to the same study finding that use of terms like "danger," "harm," "mislead," and "unethical" have more than doubled in public conversations tied to the brand.

Johnson & Johnson's profits over purpose strategy has paid off so far; annual revenue has steadily risen from 2016 onward. But the ramifications for its inability to deliver on its brand promises are only beginning to be felt as the public understands the role that the company has played in facilitating widespread opioid addiction. The Johnson & Johnson name has been further tarnished by concerns over whether its flagship baby powder product contains asbestos. Although the company has denied this fact, it has not done much else to assuage consumers' concerns; actually, it has done the contrary, squashing credible scientific reports about the contamination despite evidence that the company had known about these concerns for decades.

Much has been said over whether or not the legacy brand can survive the onslaught; Johnson & Johnson's full reckoning with its recklessness may be yet to come. When a brand invests in developing and codifying a strategic brand story, it makes a commitment to customers, employees, partners, and investors about the type of company it will be. Using it as a document to align those stakeholders and guide action builds a resilient organization, as Johnson & Johnson saw with the Credo during the Tylenol crisis. In the shadow of the opioid epidemic, modern-day Johnson & Johnson has struggled to keep its promises. Although not every customer knows about the Credo, all of them can tell when the brand is being anything less than authentic—and will flee if what they're promised is sacrificed in order to turn a profit.

THE NEXT RETAIL CHAIN TO FAIL? YOUR LOCAL SUPERMARKET

By Ed Lynes

After more than a century of catering to affluent Manhattanites, Lord & Taylor closed its flagship store on Fifth Avenue earlier this month. America's oldest department store chain dates to 1824, but its contemporary incarnationhas as little depth and authenticity as its once-renowned window displays. A particularly fitting sign of the times? The Italian Renaissance building constructed in 1914 is now slated to become the world's largest WeWork.

It would be easy to dismiss Lord & Taylor's end as yet another example of brick-and-mortar retail being displaced in favor of internet convenience. The store's closing certainly bore familiar (literal) signs: disheveled product displays, hasty markdowns, and depressingly empty display cases. Yet, many retail brands continue to thrive: bookstores are even making comeback in spite of Amazon.

Lord & Taylor's slow death is not homicide by internet, it's suicide by mismanagement. Changing times, customers, and conditions are faced by any business with a reasonable lifespan. Successful brands do more than find a way to communicate what is unique and valuable about themselves: they keep those core, guiding principles consistent and use them to navigate the turmoil.

In its heyday, Lord & Taylor was a palace of luxury consumerism. The brand's value proposition was a unique, enjoyable shopping experience: a promise that the exercise of commerce could be enjoyable, not just an end unto itself. Customer perception of department storesindicates that proposition has changed. Even Lord & Taylor must feel differently about itself: the brand's formerly exclusive and "premium" offerings are now available a Walmart online storefront.

The value proposition of the modern department store has been reduced to

price and convenience. This shift in strategy may coincide with the explosion of ecommerce, but that's a lazy excuse. In 2018, ecommerce still only accounted for 10 percent of all retail, and projects to remain below 15 percent even in 2021.

As Wodenworker Hannah Landers has written, the real story is that of an entire industry devaluing itself by removing the emotional connection it had with customers, and instead focusing entirely on features and benefits. In a naïve attempt to compete against the threat of disruption, Lord & Taylor chose to combat the internet on the territory where it would be least competitive: wider selection and lower prices. This approach is foolhardy for most brands with a physical presence, but is particularly disingenuous for a brand built on the experience of luxury.

What allows brands to endure periods of rapid change is self-awareness about what truly makes them different in the eyes of customers, and finding innovative ways to deepen that connection. Brands may have historically thought of this as their unique selling proposition, but such a product-driven (and nakedly commercial) approach lacks the emotional depth that creates real connection.

Every brand must be rooted in the emotional bond they share with their customers. This comes from the journey great brands share with their customers: they both inhabit the same fundamentally broken and damaged world, and feel a pain that must be rectified. Brands who mentor and guide customers to resolve these deep problems share in a catharsis that engenders loyalty and sparks evangelism.

The storytelling arc brands should leverage is neither new nor novel. But, articulating it in a way that's clear, compelling, and memorable is vital — and wholly necessary for adherence during periods of rapid change or growth. It's thanks to that lack of compelling messaging that Americans today buy more food at Walmart than anywhere else.

Regional supermarket chains such as Aldi, Albertson's, and Shaw's have been the primary way American families feed themselves since the country's postwar suburbanization. For decades, they've benefitted from little disruption or change. The problem with this approach is embedded in the ubiquitous printed shoppers that advertise each week's meat and produce specials.

The brand promise of the supermarket began where Lord & Taylor's ended: price, selection, and convenience. With no need to focus on building enduring, emotional connections with customers, grocers have left themselves open to competitors who can deliver the same features and benefits more effectively.

Today, Walmart controls 23 percent of the US grocery market, and its grocery division is among its best performing. Walmart's size and supply chain prowess ensures it can beat traditional supermarkets on price, and its wider selection of goods allows it to expend the selection benefit beyond grocery items.

Amazon's 2017 acquisition of Whole Foods brought another market entrant with a similar strategy. Already, Amazon has lowered Whole Foods prices so as to obsolete their discount 365 chain. And, as the Whole Foods and Amazon brands become more fully integrated, they areexpanding product selection in store, and integrating it with orders from its website. Both stores offer same-day home delivery — Walmart already does it in 40 percent of its US stores.

Walmart has long-built the core of its story around pricing, and Amazon has erected its own around rapid delivery of goods. Delivering on these promises, which mirror those the regional grocer has relied on for decades, invites the type of comparison shopping that will never end well for the smaller competitor.

Listening to supermarket CEO's talk about Walmart and Whole Foodsis a facsimile of how retailers derided the internet's disruption of their business. Grocers point to unfair competitive practices, yet also seem eager to engage in battle on the opponents' terms: seeking ways to lower prices and increase selection. What they must do is what they should have done years ago: examine why their customers value their brands, and reorient their story around that.

These chains continue to lean into pricing and selection, and are strangely resistant to evolution. Many still have outdated store footprints, dim fluorescent lighting, and little in the way of customer experience. There's no promise of anything to the customer beyond the acquisition of supplies for sustenance — if that's the extent of the promise, it makes sense

consumers would look elsewhere.

But those ready to declare the death of the marketare perhaps being a bit premature.

Research indicates 80 percent of supermarket sales come from product lines customers prefer to inspect personally. Like other retail brands thriving today, there is an opportunityto cater to those who want an in-store experience. Success means understanding the true nature of the customer's pain point: what can an individual brand offer that doesn't exist elsewhere? And how can it be presented in a compelling manner?

Ask Sprouts Farmer's Markets. Sprouts has more than doubled in sizesince its 2013 initial public offering. The brand has managed to build a powerful connection with shoppers not around pricing or breadth of product (it is more expensive than traditional markets, and has a more limited product selection), but rather around its proud alignment with customer values. Sprouts emphasizes its relationship with suppliers and customers, and reinforces that through the in-store experience. Consumers may pay more at Sprouts, but it's money they feel good about spending — and it makes them want to return.

Sprouts isn't unique in this approach. Mom's Organic Market has an almost cult-like followingthat's been built around a similar ethos. And both brands are treading a path worn by the original iteration of Whole Foods(pre-Amazon). In each case, consumers show not only a willingness, but an enthusiasm, to eschew broader selection and the lower prices of competitors.

Unfortunately for traditional supermarkets, they remain stuck in the middle. They lack the scale and power of Amazon or Walmart to deliver on their brand story, and are missing the authentic connection that drives niche brands forward. As any disciple of Mister Miyagi knows, the middle of the road is no place to be.

Brands can't control when their markets will become disrupted, when the customers will evolve, or if a competitor like Amazon will enter the space. What they can control is the story they choose to tell about themselves, and how it is delivered to their customers in a way that's clear, compelling, and memorable. A refusal to invest in that effort may unfold differently across industries, but leads to the same end: losing customers to someone else.

BEYOND THE BRANCH

By Mike Dea

At the intersection of Philadelphia's 17th and Walnut streets, there's a café where people can find a cup of coffee, a locally-sourced pastry, and a coworking space — or discuss their financial goals with a money coach provided by Capital One. The opening of Capital One Cafés has been interpreted differently, but the dominant analysis of the bank's decision to open these establishments is to effectively market to millennials via the stereotyped trappings of "what millennials want:" local fare, single-source coffee, and a space to pursue their passions — all at no charge. This, the theory goes, will ensure Capital One is the banking institution of choice for this demographic.

Business Insider scoffed at the move in a 2017 article — despite acknowledging that millennials represent a growing share of the workforce, and that Capital One is providing the trappings that conventional wisdom says millennials want. Of course, the article focuses on the surface of the café initiative as the most attractive part of Capital One to millennials, rather than the fact that Capital One has a robust online interface that works well in a demographic increasingly pursuing quick-and-easy modes of conducting banking transactions via Wi-Fi connections.

So why is a bank with a strong digital interface opening a brick-and-mortar café and stocking it with bait designed to capture a millennial's attention?

Capital One's unique approach is rooted in the same challenge facing many traditional banking brands: the millennial generation is slated to become the largest share of the retail banking market, with a 2014

report from BBVA noting that millennials already comprise 25 percent of individuals with a transactional account. By 2050, the millennial cohort are likely to make up more than 21 percent of the total population of the United States, making it likely their share of the market will grow. With this size comes influence over economic forces, and no brand wants to be losing out to avocado toast the way homeownership, napkins, and Applebees have in recent years.

The problem with analyses like Business Insider's is that it takes more than locally-sourced pastries and free coffee during happy hours to attract millennials to become account holders. Marketing can only take a company so far, and Capital One understands this; rather than rely on the "tried-and-true," yet simultaneously obsolete banking practices, they are finding ways of acting out their brand narrative authentically, a move that pays dividends among all demographics.

Writing off the café at 17th and Walnut (and its peers) as nothing more than a marketing campaign does Capital One injustice. The bank already provides everything millennials want in a financial institution, according to a FICO report from 2014: a digitized approach that allows transactions to be managed from any device at any point in time, with the speed and convenience a traditional branch lacks. Taking the literature and established norms of retail banking at face-value, Capital One has already made an offer millennials cannot refuse.

Capital One's café initiative shows a bank attempting to innovate in a vertical where conservative approaches have thrived in

the past. With traditional branch networks becoming obsolete in the shift towards digital banking, retail banks need new ways of connecting to their communities, and the Capital One Café has provided a way to do that.

This method does come with a cost. ING Direct once had a similar concept for their branches, and some experts have even been critical of Capital One's investment in what can be characterized as a "dead delivery channel." However, to be so quick to criticize represents a deep cynicism about the ability of retail finance institutions to innovate and the depth of the experts' disconnection from the demographics they are attempting to serve.

If the cynical interpretation that Capital One Cafes are merely a marketing ploy for millennials were correct, it's unlikely they would be successful. Millennials in particular value authenticity in brands above all else — and cloying attempts to win them over often do brands more harm than good. Such a significant move has a stronger imperative than marketing or generating new ways of subsidizing small and medium businesses in the community: Capital One is finding new, experiential ways to connect customers with their brand story.

Capital One's brand story is defined by investing in communities and their clients. This isn't unique to them, and most banks have initiatives that mirror this. What differentiates Capital One's story from the many other voices of the financial sector can be boiled down to simplifying the banking experience so that someone can spend less time worrying about money and more time living their life.

Millennials have come of financial age in a time where there are many different ways by which one can manage their money, making it difficult for banks to not only differentiate from one another, but also from the myriad of new financial services available. Wodenworker Lindsay Cottman has discussed the challenges of inspiring the type of trust that banking institutions once commanded in a more skeptical millennial audience. A more authentic approach to engaging with customers is needed by financial brands, and emphasizing the personality of the organization over the benefits and features it provides creates an emotional connection audiences value.

Capital One Cafés offer a way for the bank to illustrate their story that is more direct and genuine than a marketing campaign. Visitors to the cafes are part of an experience with the brand: they are literally immersed in the environment Capital One creates for them. This allows the brand to signal what it values without resorting to marketing copy: inviting coworking spaces with no time limits doesn't just create foot traffic, they signal embrace and acceptance of the new economy. Given the explicit connection between work and banking, it sends a strong signal of trust that Capital One can leverage to create a deposit relationship.

Capital One could easily charge a fee for the use of its spaces, which include roundtables, charging stations, and private rooms, but instead it offers them for free to anyone who chooses to visit. Far from limiting the such spaces to Capital One ac-

count holders, no pressure is asserted on a visitor at any point to apply for an account.

Instead, Capital One provides what it believes the community needs in abundance to make their experience easy and enjoyable: access to ATMs, Peet's coffee and local pastries for sale, outlets to charge a phone or laptop, free money coaching, and ambassadors on hand to help with any basic retail banking questions one may have. A visitor can receive help in setting up a Capital One account, of course, but the focus of the café is to assist the millennial community through an improved version of a coffee shop that anyone can visit, regardless of whether or they are looking for a new bank account.

Capital One is far from the only bank that espouses concern for customer and community wellbeing; at the same, previously mentioned corner where the café is located in Philadelphia, there are also branches for both Citizens and Chase Banks, both of which have great offerings for financial tools and espouse the ideal of investing in the communities they serve. Citizens Bank even ran an advertising campaign attempting to make their bankers seem more personable by telling viewers to "Ask a Citizen," and campaigns like these might have been sufficient for older generations (even Capital One ran its own memorable campaigns where Samuel L. Jackson asking "What's in your wallet?") but neither campaigns like this, nor a website notice of what banks are investing in communities changes the actual experience of interacting with the brand. These approaches fail to deliver on the promise of its bankers consisting of everyday men and women; traditional branches are filled with professionally attired people waiting to answer the petitions of their account holders. This disconnect between what a brand says and does is particularly acute in retail banking — and can destroy the trust account holders have in the institution.

Capital One makes good on the promise of its brand story: by putting the customers they serve at the core of their narrative, and empowering them to pursue their preferred financial future in a way that is consistent with their own life, and doesn't require Capital One by necessity. This focus on the customer before the features, benefits, and bottom line of Capital One tells their story in a way that's not only compelling, but truly authentic.

And, when that story is experienced over a hot cup of coffee, there's no telling who might become the newest Capital One account holder.

YOUR CUSTOMERS DON'T GIVE A DUCK

By Dante Pannell

"For almost 100 years the Ducks did almost nothing but lose."

When it comes to the University of Oregon football team, there's no need to beat around the bush: they were bad. The program has existed since 1894, but generations of fielding losing teams left the Ducks with no sense of heritage, and no pedigree for talent. A century of failure is hard for contemporary fans to reconcile with the program's recent success, and the attention lavished on their annual uniform reveals. The catalyst for that change? One famous (and wealthy) alumni who decided he would do whatever it took to turn his alma mater into winners.

Phil Knight, the billionaire co-founder and chairman of Nike, attended the University of Oregon in the late 1950s. As Oregon's single most powerful alumni, it pained him to watch as other major schools won championships while his beloved Ducks continued to drown. After consecutive losses in the 1995 Rose Bowl and the 1996 Cotton Bowl, Knight forced a meeting with Head Coach Mike Belotti and the school's athletic director, in which he asked one question: "What do you need from me (to win)?"

Knight poured over $300 million in combined donations into the university. The program's leadership told him what they needed to be successful. Autzen Stadium, the home of Ducks football, was renovated. A tutoring center was built, and a state-of-the-art performance compound was constructed. Top recruits had long-shunned the idea of moving to Eugene to labor away for a losing program — now Oregon had facilities that surpassed any of the SEC powerhouses.

And, yet, the Ducks continued to lose.

The leadership at Oregon failed to accu-

rately diagnose their challenge. When prospects eschew a brand, it's easy to invest in product improvements, or a marketing campaign that touts a killer new feature. But today's consumers live in an era of post-marketing — and for a brand to succeed in this oversaturated period where marketing delivers fewer returns than ever, they must recognize: features and benefits are secondary to the experience a brand delivers.

Phil Knight's money bought what Oregon wanted, but it didn't make the program any better. Sure, recruits and alumni were impressed by the new facilities and tricked-out luxury boxes. But marginally better features couldn't compete against Alabama's storied past, national championships, and the ghosts of Hall of Fame coaches who still roamed the sidelines of Bear Bryant Stadium. And it couldn't match Penn State's roster of former linebackers who'd been first round NFL draft picks. Oregon was doing everything "right" to build a great brand, but no one cared.

Frustrated by his lack of ROI, Knight turned to his team at Nike. Their outside perspective recognized what had been overlooked internally: Oregon was missing a story, the reason why a student athlete would want to suit up for the Ducks. Enter the uniforms. Nike's designers begin churning out countless variations of the Oregon kit, in paints and color combinations not available to any other team. Suddenly, playing for Oregon meant looking like no other football player on the planet.

The uniforms gave Oregon's customers what they had been missing for over 100 years; an experience that not only made them feel amazing, but connected them to the brand in a way that was unique to the Ducks. These new shiny, flashy, jaw dropping uniforms captured the attention of recruits who would have never previously considered Oregon, gave them a reason to commit.

Oregon finally had a story. A loud, green, yellow, and white—but sometimes black and grey,or a mix of white, metallic silver and pink, or any of another 140 something variations—story. Oregon could not create history, but they could define the experience of playing for the Ducks.

Building a brand from the ground up is defined by experience, not product. But what about when a brand already has its story, but its audience is beginning to tune out?

Unlike the University of Oregon, Harley-Davidson has a storied history. In 1903, brothers Walter and Arthur Davidson, and friend William Harley conceived of adding an engine to the standard bicycle. By 1920, Harley had over 2,000 dealerships worldwide — the largest manufacturer of motorcycles in the world. And, by the 1960's, the Harley brand had been fully embraced by the anti-establishment, and had become iconic to the reforged American dream: a free-wheeling, contemporary mirror of the heydays of Westward expansion.

Harley's story had naturally evolved over time as its audience became attached to the brand's lore, and its connection to how they saw America. Despite the Harley product being legendary, imported Japanese motorcycles began winning away

market share in the late 1970s and early 1980s. Compared to their American competition, Japanese bikes were cheaper, easier to fix, and offered a much different performance model. As Harley's dominance eroded, company executives found themselves on the verge of bankruptcy by New Years Eve 1985. America's largest and only motorcycle company was on the verge of collapse.

The easy thing for Harley to do would have been to adjust their product. Most commercial brands would choose to build cheaper bikes, modify designs, or otherwise compete directly against their new market entrants — after all, that was the exact strategy Harely's automotive peers attempted, to their ruin. Harley was savvy enough to know the answer wasn't looking outward — but inward, to their story. Harley chose to emphasize who it had been all along: the bike that Americans want to ride into the sunset.

Harley rolled out initiatives that further immersed its customers right into that story. HOG, the Harley Owners Group, was introduced to develop the relationship with riders: it educates family and friends on motorcycles, and is the world's largest factory sponsored motorcycle club. This provided the foundation for the most essential transformation a brand can make in in the post-marketing era: away from transactional advertising, and into a lifestyle brand defined by customer experiences.

"Most people can't understand what would drive someone to profess his or her loyalty for our brand by tattooing our logo onto his or her body—or heart," raves Richard Teerlink, Harley's former CEO. "We... understand very clearly that this indescribable passion is a big part of what has driven and will continue to drive our growth."

Oregon looked outward to create and define its story, and Harley looked inward to recommit to its own. In both cases, each organization smartly understood who their customers were, and how to place them at the center of the brand. In the post marketing era, experience connects a brand and its customers. Hummer, on the other hand, chose to ignore its experience and double-down on advertising and marketing. In the process, it pushed the brand into oblivion.

Hummer has a heritage to rival Harley. The development of the 'Hummer" began in the 1970s as a Jeep replacement for the U.S. Army; by 1983, the Pentagon awarded AM General Corporation a $1 billion production contract to manufacture 55,000 High Mobility Multipurpose Wheeled Vehicles (HMMWV): the Humvee.

The HMMV was deployed when the United States invaded Panama in 1989, and were ubiquitous in the first Gulf War. These conflicts were the first to be covered by the 24/7 cable news cycle, and the HMMW became an instantly recognizable sign of the modern, agile American military that stormed across the desert. Film action hero Arnold Schwarzenegger was so captivated by the vehicle that he clamored for them to be available for civilian purchase. AM General made the Hummer commercially available for in 1992, and, of course, the first was purchased by Arnold himself.

Driving a Hummer was ultimate the symbol of power: it was a vehicle proven in the crucible of war, and ownership of one gave domestic audiences cachet unattainable in any other way. As the vehicle's popularity increased, GM purchased the Hummer name in order to bring it into the mainstream.

Immediately after GM purchased the Hummer brand, the line began to grow. First, GM launched the H2 (it had since rebranded the original Hummer as H1). Then in 2009 it launched the H3, a plastic-accented light truck which quickly and undeniably confirmed the war chariot had lost its way.

Hummer neglected to appreciate what made the experience of ownership so unique. In pursuit of expanding the brand, they could have added ancillary products in line with the original Hummer story (a path well-worn by Italian sports car brands), or launched other heavy trucks. Instead, Hummer marketed to soccer Moms who wanted an alternative to their suburbanite vans. While this may have appeared to be the largest possible market, it was a clear example of forcing product and experience to conform with marketing expectations — a fatal mistake in the post-marketing world.

Experience, and the story that defines it, are what propels marketing forward. Not vice-versa.

As audiences continue to fragment, and consumers become more driven by the behaviors and references of their peers, ballooning marketing budgets barely move the needle for a growth-oriented brand. In this post marketing era, experience makes all the difference. Whether a brand is building itself from the ground up, fending off a competitor, or trying to find new avenues of growth, it's about kitting customers up, placing them in the driver's seat, and giving them an experience they can't help but share.

SHAKEN, NOT STIRRED

By Dante Pannell

"I'll have a vodka martini. Shaken—not stirred."

For almost 60 years, James Bond has been disarming bad guys, masterfully handling luxury vehicles, and ordering the same drink, the same exact way: the vodka martini, shaken—not stirred. While this may seem to be just an idiosyncratic calling card of the world's most famous 00 agent, it showcases the relationship between the drink a person orders, and the way the world perceives them because of it.

Since his 1953 introduction in Ian Fleming's novel Casino Royale, James Bond has represented an aspiration of masculinity that still intrigues fans to this day. Whether it's his impeccable style, unmatched taste in cars, or interest in attractive yet mysterious women (and success in bedding them), Bond represents a level of sophistication that is simultaneously unachievable and intensely coveted.

Of course, marching up to the bar in a tuxedo and ordering a (shaken) vodka martini doesn't make one James Bond. Yet, among the most intoxicating effects of alcohol brands is the permission they give drinkers to be seen not as they are, but as they want the world to see them. Ordering a specific drink tells a story about one's self to those around them, and when brands are able tell that story powerfully enough, customers shift their own perceptions away from reality and toward the ideal they associate with the brand.

Alcohol consumers broadly fall into three categories: aficionados who buy for taste, less discriminating price-shoppers, and a large group who select spirits based upon brand.

Savvy beer, wine, and spirit companies know the first two categories are rarely worth marketing to. Those who buy on taste tend to be heavily informed, educated on craft brands, and engaged with communities around their drink of choice. They're apt to try new brands (in excess of 10 a year). Price-sensitive shoppers respond to price incentives in their preferred category, and as a result lack brand loyalty, or the ability to up-sell into a premium brand (where most category growth comes from).

Hence, the overwhelming majority of alcohol marketing is targeted at drinkers who attach their preferred brands to self-perception. In a study conducted by Affinnova, consumers of vodka showed they became attached to brands based almost entirely on marketing. This is supported by the almost universal move towards positioning alcohol as lifestyle brands.

What person does not want to appear interesting? Dos Equis' "Most Interesting Man" ad campaign launched at a time when imported beer sales were dropping and craft beer was king. In 2009, when the campaign began, overall sales for imported beer in the United States dropped 4 percent, outpacing the decline in volume of total beer sold (2.1 percent). To get young people drinking beer again, Dos Equis counterintuitively introduced a septuagenarian man as the face of their Mexican-based beer.

The "Most Interesting Man in the World" was a far cry from the typical young, in-shape, and anonymous face who represented alcohol brand's stories. Yes, beer brands are about lifestyle—but drinkers have aspirations broader than the typical US brand gives them credit for.

Those broad aspirations are at the center of the Dos Equis story. The most interesting man's exaggerated feats not only poke fun at the meager aspirations of other beer brands, but it provides Dos Equis drinkers with a way of saying "there's more to me than meets the eye." The character himself does so in a comedic way—giving permission to the brand's adherents to embrace the most interesting parts of their personality, even if they might be more fantasy than reality.

Dos Equis even recognizes that the brand-driven drinker is likely to have less category loyalty than most American brewers, who see their customer as exclusively a beer drinker. The most interesting man signs off by saying, "I don't always drink beer. But when I do, I prefer Dos Equis." It's a signal: if you want a beer brand that screams cultured, diverse, and most importantly, interesting—be seen ordering a Dos Equis.

It worked. Between 2007 and 2016, sales for the company's Lager Especial grew 34.8 percent.

"Nothing taste quite like it." That's how White Claw, one of America's most popular alcoholic beverages, chooses to describe itself. Brands such as Smirnoff Ice and Mike's Hard Lemonade had established a category for alcoholic coolers—but always as niche products, sold alongside beer, and targeted toward female audiences (as

a complement to their beer-drinking male companion). White Claw has aggressively chosen to position not as part of this category—but as a completely new, and market-leading, offering.

Seltzer—also known as expensive, carbonated water—is the fastest-growing beverage category in the United States. It's growth to a $1.7 billion market is credited to people craving "better for you" alternatives, a preference that was inevitably extended to alcohol (which has been historically light on "healthy" options, Bacardi's efforts notwithstanding).

Hard seltzer is a $550 million business that is built on the dual desires to consume alcohol and be perceived as healthier. What is unique about the seltzer trend is how cosmopolitan it is. Unlike previous offerings, the hard seltzer market is designed to appeal equally to men and women, affluent and not, even urban and rural—Montana consumes more hard seltzer per capita than any other state.

Since its launch in 2016, White Claw has been the dominant brand in this trend: during the 2018 Fourth of July weekend, White Claw sales accounted for more than 55 percent of the entire segment.

White Claw's VP of Marketing, Sanjiv Gajiwala describes the brand's approach to marketing: "Whatever we put out creatively and how we positioned the brand really reflects that everyone hangs out together all the time." White Claw's nuance is that it isn't just selling a lifestyle, it has become one. With the help of social media, the "White Claw Lifestyle" has become synonymous with day parties, festivals, and a never-ending summer. With a sleek can, a light alcohol taste, and low amount of calories White Claw is designed to be a

cultural phenomenon ready to be shared by drinkers on Instagram.

This lifestyle is embodied no better than in the catch phrase: “Ain’t no laws when you’re drinking Claws.” While it started off as a joke on social media, the phrase has since taken on a life of its own. There’s a powerful subtext: the successful and wealthy have always been able to flaunt certain cultural norms, and embedded in this phrase is a self-perception of exceptionalism. By grasping a can of White Claw, drinkers immediately elevate the way they view themselves: exempt from the normal standards that apply to the unexceptional.

White Claw lifestyle has provided its dedicated drinkers the ability to pick up a “Claw” and become the person they’ve always wanted to be. An slovenly man can see themselves as a supermodel. A reserved female accountant can become a lawless cowboy. Reality leaves the moment that 12-oz white can enters ones hand. It’s completely up to the drinker to step into their role.

While every brand seeks to tell a story, alcohol brands’ are particularly powerful given their attachment to customer identity, and the loyalty of said drinkers. 62 percent of drinkers stick with one to two alcoholic brands through their life. Even though trends come and go, and the marketing continues to pull in new consumers, this emotional connection goes far beyond just the drink, but instead speaks to the story being an extension of themselves—most people decide what category they prefer before 35, and stick with it for their lives.

Whether a drinker fancies themselves interesting due to the beer in their hand, charming and brilliant because they order an Old Fashioned, or a leading member of the beautiful nouveau rich while crushing Claws, James Bond set the precedent, and standard, for this relationship..

A person’s drink of choice and their personality are so closely tied that the world was blindsided when Daniel Craig, playing the latest Bond incarnation, ordered a Heineken in the “Skyfall” installment of the series. The uproar speaks to the deep connection between brand and self-perception, one that comes not from successful marketing, but rather the inseparable alignment between drink and drinker.

Brands don’t need alcohol to be this intoxicating. Any company that can closely tie their identity to their customer will benefit from the lasting relationship and advocacy inherent to that connection.

There’s a scene in “Live and Let Die” starring Roger Moore where a powerful assassin Kananga enters a hot air balloon and blows up. Viewing the explosion, Bond says in a snarky voice, “He always did have an inflated opinion of himself.”

Kananga was having a White Claw summer and didn’t even know it.

SUFFERING FROM PREMATURE GRATIFICATION?

By Kenly Craighill

Veruca Salt: a timeless image of spoiled, entitled youth. With her fists clenched and lips turned downward into a pout, she straddles Willy Wonka's golden geese and announces her sing-song demands for "Gooses and Geeses." In one of 1971's most memorable musical numbers, Veruca wants the world, the whole world, locked up in her pocket: "I want today, I want tomorrow...If I don't get the things I'm after I'm going to scream, I want it now, I don't care how, I want it now!"

First-time viewers and long-time fans of Willy Wonka and the Chocolate Factory can tell from the number's opening note that things won't end well for Veruca—and, moments later, her commanding and desperate shrieks fade into the distance when she drops, as Wonka casually observes: "To the furnace."

Today's consumers have more in common with the late, great Veruca Salt than they might care to admit: the demand for instant gratification, the mounting accumulation of material goods, and the subsequent dissatisfaction that leaves then wanting more—only to begin the cycle again. Veruca wants the whole world, and wants it now. She'd be perfect on Instagram.

This relentless pursuit of "more" isn't working. Diagnoses of major depressive disorders have risen 33 percent since 2013, begging the question: what's happening to consumers who achieve quick gratification easier and more often than ever, yet sink back to a place of hollow desire?

The conflict between immediate gratification and lasting happiness defines the contemporary consumer. Brands who sell goods purely on the premise of product do not create viable pleasure for their customers. The consequences of short-term gratification have begun to manifest: in 2018, customer satisfaction was completely stagnant for four consecutive quarters, painting "a dire picture for consumer spending growth." People may think they want instant gratification, but what they're really looking for is enduring satisfaction. To provide the pleasure customers so desperately desire, brands must deliver purpose, not product.

Patagonia, the outdoor clothing retailer for “silent sports”, has built the ultimate model for lasting customer gratification, and it starts with purpose. Since its founding in 1973, Patagonia’s fanbase has climbed steadily upward (both literally and figuratively.) Their loyalty is unwavering—part of an increasingly rare group of consumers whose overall satisfaction is equal to their expectation of happiness. In fact, millennials rated the company one of their most trusted brands, and Yelp reviews for its brick and mortar shops call it “one of the best brands in the world,” and, “the best shopping experience ever.”

It’s not the comfort of pulling a warm fleece jacket on a brisk morning, or the confidence of zipping valuables in a water-repellent backpack that makes Patagonia so beloved. Patagonia’s fans forgo the temptation to stay home and order a cheap Amazon knock-off—despite the promise of two-day delivery—choosing instead to save their money, and trek out to a store for a higher quality product. Enveloping warmth or the purr of a zipper can certainly provide a brief flash of instant gratification, but what really keeps people happy, and what’s turned Patagonia into a $1.5 billion brand, is its purpose, and how Patagonia has crafted its story to ensure those underlying ethics resonate with the desires of its customers.

Patagonia is driven forward by a well-articulated purpose: “the business to save our home planet.” Its mission doesn’t mention durable clothing, trendy outdoor gear, or fast delivery. It surpasses the immediate desires of consumers, asking not “What do they want?” or “When do they want it?” but instead “Who do they want to be?”

The answer is simple: Patagonia customers want to be perceived as a person who cares about the environment, regardless of whether or not they actually are that person. This clear purpose creates a tribe of like-minded individuals: 69 percent of Patagonia customers look out for where and how their goods are made (6 percent higher than the general public,) 67 percent believe people should spend less time driving to protect the environment (12

percent higher than the general public,) and the majority make an effort to buy fair trade products. Former Patagonia CEO Michael Crooke explains this transcendence from instant gratification to fundamental emotional aspiration:

"Customers become advocates of brands because they develop an emotional connection with their core purpose. Brands that elicit advocacy provide a value beyond just product quality and experience. This connection is something that deserves analysis, as it is the foundation of true loyalty."

It took time, action, and consistency for Patagonia to surpass consumer demands for immediacy, but the kernel of that strategy was understanding that its ideal consumers were searching for something more than a product. They wanted a purpose that aligned with their personal values and ethics. Some brands, however, don't want to spend valuable time creating meaningful engagement and resonant emotional connection with customers, despite its ultimate financial pay-off. Like Veruca Salt, they want it all, and they want it now.

Brands repeatedly emphasize immediate gratification, but science strongly supports Patagonia's approach. In a 1960's experiment, psychologist Walter Mischel placed children alone in a room with a treat of their choice. With Oreos, marshmallows, and pretzel sticks just inches away, the children were offered a choice: they could eat the treat, or if they resisted temptation for just fifteen minutes, their reward would double. Only one third of children were able forgo instant gratification for the promise of superior satisfaction.

Mischel's study continued to assess the children's behavior as they grew, and the results proved that those who succumbed to instant gratification sacrificed more than just an extra marshmallow. Compared to their more patient peers, the children who chose the first treat had lower SAT scores, higher rates of obesity, higher levels of substance abuse, less ability to cope with stress, and an overall

lower rating of social skills.

An fMRI study conducted on the original participants more than 30 years later showed those belonging to the delayed-gratification group exhibited higher levels of brain activity in the prefrontal cortex, the region associated with planning complex behavior, personality expression, decision making, and moderating social behavior.

Those less patient children? They're now targeted by companies like JayJay, an Amazon-owned entity seeking to quickly capitalize on the outdoorsy-but-still-cool trend. JayJay offers look-alike fleece zip-ups for less than half the price of Patagonia, delivered in two days. But, this immediate gratification only leads to disappointment—customers leave scathing reviews for the brand:

"What a disappointment"

"I would not purchase this again"

"Disappointed and annoyed"

And, finally: "This came reeking of cigarette smoke, what looks like a bleach stain on the sleeve, and a hole in the pocket"

These customers thought they knew what they wanted, but the excitement of a $19 fleece jacket waiting at their front porch in two days didn't last long.

Without any true emotional connection to JayJay, customers could only look for fulfillment from the product itself—one that, though cheap and fast, is poorly made and largely inadequate. Patagonia fans, on the other hand, had more to hold on to: the knowledge that their purchase aligned with their self-perception, and that the product is more than a fleece jacket: it's a conduit for a meaningful ménage-a-trois of brand, consumer, and purpose.

Like the children in Mischel's original study, consumers find it hard to wait. To forego immediate gratification requires something more than a discount or product gimmick—it demands an emotional benefit that can only be delivered through shared purpose, and a brand's consistent investment in consumers' visions of themselves. For brands willing to take their time, the reward goes beyond a few extra marshmallows: they receive the loyalty and repeat business short-term competitors can't hope to win away.

SEEKING SCALE IS ABOUT PEOPLE, NOT PROCESS

By Dante Pannell

New York City's yellow cabs are a universal symbol of urban transportation. A person stepping to the curb, raising their hand, and hailing a taxi is an internationally recognized image of New York's speed — and convenience. Visitors and New Yorkers alike know the reality isn't quite as glamorous: poor customer service, long waits in the rain watching occupied cabs zip by, and a dearth of availability in off-hours are all part of the taxi experience. Yet for decades, a NYC Taxi medallion was a prized business asset, and safe investment. Today, fewer people take taxis than ever, and the value of those medallions is plummeting — thanks to one of the world's most valuable tech companies, Uber.

Uber's meteoric rise might appear to be an example of an innovative idea spontaneously catching on with users and gaining widespread adoption. The reality is that Uber's growth is the result of meticulous planning, and a maniacal commitment to process. From their beginnings in San Francisco, Uber's expansion into additional markets followed a carefully defined process:launch quickly and without notice, recruit drivers aggressively, and engage riders as advocates for Uber beyond the platform. They used this foundation to overturn regulations, purchase political influence, and then, once a market is cornered, to adjust the economics of the platform to optimize ridership and maximize profit. From the stealthy ambassador programs they use to infiltrate the market and bypass regulations, to the less savory practices used against competitors, it's a tried and true process that has made them dominant around the world.

Yet, Uber's current challenges, starting with the ousting of their founder and CEO, are well-known, and they exist in spite of the detailed processes that brought the company to its present $120 billion valuation. While that may appear incongruent at first, it's a reflection of an important shift all companies must undergo. In their earliest stages, companies succeed based on their ability to define, scale and replicate a successful process. But, as the business grows, it is people that define success. Organizations

can't scale human beings, but they can scale the culture that guides them and makes them successful.

Uber's challenges first erupted into the limelight thanks to an essay published on the blogging platform Medium titled "One Very, Very, Strange Year at Uber" The author, former Uber site reliability engineer Susan Fowler, laid out some of the disgusting behavior she had been subjected to at the organization. As additional revelations emergedabout internal and competitive practices, it became clear that for all of its operational success in mapping, market expansion, and pricing strategy, Uber had a decrepit culture made only worse by scale.

While the company had the right product, and the right process in place to achieve massive growth, those items weren't tethered to a culture that could engage employees to act in the organization's long-term interest. Developing such a framework, and installing it early, is vital.

Nathan Furr, professor of innovation and strategy at INSEAD:, observes "... most startups are chasing an idea: the founders, no matter how much they believe in their idea, are operating on a guess about an unknown opportunity with a potentially unknown solution ... because entrepreneurs believe so deeply in their idea, they jump into action by investing in creating a business, building a product, and then spending the money to try and sell it."

Nowhere in that analysis of a startup's priorities is a mention of customers, culture, values, or the tools that cause those things to align with the commercial and product elements of the business. There is no mechanism that allows an organization to form these disparate parts into a cohesive whole more effectively than their brand story. Forcing the organization to reach consensus on why it exists, and how it will communicate that message (and adhere to it), creates a framework for the tactical processes that support growth.

Uber's scale is an outlier. But, the challenges they face are common at all levels of growth.

Nasty Gal was once the darling of the fashion world. Founded by a 22-year old college dropout who was trying to make some money selling vintage clothes, Nasty Gal tapped into a market that was in need of a new face and voice. That dropout, Sophia Amoruso, was the rockstar behind the brand. The company started on eBay in 2006, and was run out of Amoruso's step-aunt's house. In less than four years, NastyGal had outgrown eBay, and was recording revenue of $10 million annually, Before long, the company was headquartered in Los Angeles, had a headcount of 110 employees, launched its own in house label, and was up to $23 million in revenue. Nasty Gal had grown through a well-defined ecommerce process, and it would be tough to dispute the operational success of Amoruso, who chronicled her success in a memoir: Girl Boss.

Yet, as more employees were brought on to the team, Nasty Gal stumbled. There was a major shift in company culture

when Amoruso relinquished most of Nasty Gal's day-to-day to operations to new CEO Sheree Waterson, "who forced a series of layoffs and 'reorganizations' that have made employees furious, frightened, and, eventually, led many of them to quit—about 30 people in 2014 alone, by one source's estimate—many of them in a two-month period."

Founders intuitively understand the emotional core of their business. In most cases, the company reflects a pain they themselves experienced, and it affords them a unique solidarity with their customers. As the company grows, though, employees lose the minute-to-minute interactions with the founder that allow the ethos of the organization to transfer naturally. And, if and when new leadership is brought on, they can move the company in a new direction without a clearly codified story that is being adhered to.

Nasty Gal was a company rooted in the empowerment of woman. Built by women — for women. As it grew Nasty Girl's internal culture strayed from the message they were communicating externally. Former employees began to speak out, and shine a light on the "toxic" environment Nasty Gal had become. One employee in particular, Aimee Concepcion, filed a lawsuit when she was terminated after being harassed for her pregnancy. This, along with stories of mass layoffs, toxic behavior amongst coworkers, and the systematic termination of other pregnant employees contradicted the story Nasty Gal had been telling to the women who helped build it into the fashion giant that it was. NastyGal filed for bankruptcy in 2016, and was purchased by Manchester-based e-retailer Boohoo.com

Airbnb CEO Brian Chesky defines culture plainly: "Culture is simply a shared way of doing something with passion." It's a belief that operating in an environment that instills trust in people not only brings employees together but also makes the company more stable. Effective culture isn't just great perks or treating employees well: it's built around shared purpose in an organization, which requires a clear, compelling brand story that is embraced by all stakeholders. Airbnb, despite scale that rivals Uber, has been able to do this well throughout their growth.

Airbnb's careers page makes it evident that the brand has a clear story at its core. That story involves team, togetherness, and community. "No global movement springs from individuals. It takes an entire team united behind something big," makes up part of a section titled,"Together at Airbnb". People — not processes— are the centerpiece.

Even for the youngest startup, having the right process defined for growthis essential for success. But, as the organization grows, the founding team that intuitively "gets it" touches fewer and fewer parts of the business. The only way to keep the team moving in the right direction is to have a culture that's oriented around the brand's core message and story, and to ensure that's being lived each day.

Under new leadership, Uber's process is evolving to reflect this reality. But getting it right from the beginning could have

saved a lot of trouble, and more than a few jobs. Product, process and profit drive a business forward, but,no matter what, according to Airbnb's Chesky: "Don't Fuck Up the Culture."

KING OF BURGERS, QUEEN OF POP

By Kenly Craighill

In 2008, a doe-eyed, cowboy-boot-clad 18-year-old took to the CMT Music Awards stage. Her unmistakable permed curls, paired with a cutesy-country twang and puppy-love lyrics, made her the image of a prototypical country-pop star. The seismic force on the stage, however, would soon transcend those country roots: Taylor Swift.

Swift's mostly-teen following exploded, whimsically singing along to the thought of "sneakin' out late tappin' on your window." Swift's stories of fairytale love and fiery heartbreak floated on guitar, banjo, and fiddle strings, drawing listeners in to an emotional journey that reflected their own narratives. Her willingness to disclose the fears, failures, crushes and conflicts of Taylor Swift—not just the musician, but the person—defined a relationship with fans that has surpassed music alone.

Through Instagram live updates, Secret Sessions, and self-wrapped fan gifts, Swift perpetuated this sense of honesty and vulnerability, and cemented deeply personal connections with fans. Swift embodied the credo that "it's not enough to write hits that get played on the radio, as an artist, you need to offer something much more personal."

Yet, contemporary music fans don't exclusively associate Swift with her country origins. After early success, she ditched her corkscrew 'do for a pin-straight bob, and morphed into someone completely different—at least superficially. Her rosy naiveté and country underdog charm were replaced by seething revenge melodies, and Swift evolved to her current status as an American pop princess.

Pundits met Swift's evolution from "the girl next door" with uncertainty, but hindsight has proven wrong "everyone, in and out of the music industry," who believed Swift's pop dreams were "naïve and overly optimistic." The skeptics, including her own record label, missed something crucial about Taylor Swift: her story was never about the genre that pedestaled her successful career. Swift's fans were loyal to the openness, honesty, and authenticity of her story—one that remained consistent even when her banjo-

ballads were swapped for the synthy repetition of "Look What You Made Me Do."

Taylor Swift's investment in a steadfast story, and her faith in fans to believe it, has paid off. After all, staying the same isn't what makes a person—or a brand—successful. It's constantly evolving alongside audience tastes to remain relevant, while staying true to a fundamental story, that does.

Although he's not pop royalty, Burger King's mascot wears a different crown that symbolizes an American classic: the Whopper. The fast food chain has offered flame-grilled beef patties since its founding in 1953, and its flagship sandwich almost as long. When customers approach a drive-thru window with the Whopper in mind, they do so with expectations rooted in decades of Burger King's infallible adherence to the standards of American fast food and repetition of its message—until now.

When the creators of "America's Favorite Burger" announced that it would offer a Whopper with a meatless replacement of its flame-grilled core, skeptics rolled their eyes at the prospect of yet another ineffective vegetarian gimmick. But, the decision to include the Impossible Whopper on Burger King menus across the country wasn't just a PR stunt: when the faux burger was tested at St. Louis locations, customer traffic outperformed national averages by 18.5 percent. According to customers, the success of the plant-based burger came down to one vital factor: "it really does taste like beef." It may not have come from a cow, but customers were still satisfied by the same meaty tenderness of their beloved burger, thanks to its "essential 'Whopperness.'"

Cynics cried Burger King was straying from its roots, and drifting away from the meat-loving customer base that's kept it the world's second-largest burger chain for so long. But, Burger King wasn't straying at all: the flame-grilled franchise has always put creativity, individuality, and risk-taking at the forefront of its narrative, as long as it delivers on the tastes craved by its loyal consumers.

After all, this is the brand who has long encouraged diners to "have it your way" (now "be your way"). Its commitment to this approach explains why it may be the only burger chain that could pull off this type of evolution.

Most hamburger chains embrace the assembly-line approach pioneered by McDonald's. This production philosophy ensures consistency across all stores, but limits flexibility. Kitchens and stores are designed to cook specific menu items repeatedly—but little else. The Burger King kitchen design is superficially less efficient, but offers flexibility for additional menu items and customization—how else could customers have it their way?

As early as the mid-1970s, Burger King was taking chances other fast food chains were not. The brand was lagging behind leader McDonald's, and facing pressure from a rapidly-growing Wendy's. Executive Donald Smith made a bold decision: to develop a Specialty Sandwich line. This

product expansion was only made possible by the commitment to customization and customer preference already designed into the brand's kitchens.

This 1978 move was one of the first-ever attempts by a fast-food chain to target a niche demographic, in this case adults between 18 and 34, deemed most likely to spend more on a higher-quality sandwich. Like its modern meatless descendant, the Specialty Sandwich line effectively differentiated Burger King, captured new audiences, and represented a willingness to tweak the burgers, fries, and milkshake model that propelled the brand's early success. The risk of deploying the line was significant: implementation would add approximately eight seconds per order to production time, and cost about $39 million in lost productivity. Burger King went ahead with its plan, and reaped the benefits: sales increased by 15 percent.

Customer adoption made sense, as the brand had invested in a message less beholden to specific burger offerings, and instead committed to meeting customer preferences by "offer[ing] reasonably priced quality food, served quickly, in attractive, clean surroundings" Forty years later, one of these early Specialty Sandwiches lives on: the Original Chicken Sandwich. It's that legacy that helped give Burger King the courage to endeavor into the Impossible.

Burger King's commitment to new product lines and experiences not only made people more willing to stray into the unexplored territory of vegetarian fast food, it's also increased the amount they were willing to spend for it: checks including the plant-based Whopper hover around 10 dollars, a 3 dollar increase over the average Burger King order in 2018.

Critics of Burger King's venture into vegetarian cuisine saw a gimmicky product that tried to capitalize on the trend of meat replacements. And, had a similar product been introduced by McDonalds, Wendy's, or another competitors, that may have been true. What they underestimated was the long-established relationship Burger King had already built with its following, and that that relationship was not based on burgers, but on a willingness to meet customer preference in fast food that would be anathema to other brands.

From its initial investments in kitchen design, to evolving alongside customer tastes in 1978, Burger King has committed decades to letting customers have it their way. It's that narrative that customers are loyal to, not the beef, and it's driven a 10 percent sales increase, the strongest growth in five years. Burger King Chief Marketing Officer, Fernando Machado, (recently named the most innovative CMO in the world by Business Insider), notes:

"Communicate to the people... they are part of the journey from the genesis of the idea in the inside to the launch. If you don't do that, you risk coming with a product or communication that will be disconnected to people's expectations and desires."

Brands can not, and should not, remain stagnant when their customers are always doing the opposite. Taylor Swift could have remained a country queen, at the cost of sacrificing millions of new fans. Burger King could have rested on its flame-grilled laurels, and bypassed millions of new meatless consumers. Both were savvy enough to invest in a connection with their fans that transcended product, and provided a platform for growth behind their historical strength.

The risk of growing into new opportunities is real, but without embracing it, pop and burger royalty alike would have been dethroned. When a brand is ready to win new audiences, transformation consistent with who they are will keep the core audience engaged, and earn new fans through products they're ready to love.

FOOSBALL IS NOT A CULTURE

By Mike Dea

Millennial employees: they're killing industries by the dozens. But at least they're getting some pretty great work perks while they do it.

Workers under 38 years old have become the largest demographic in the U.S. labor market, and the companies of Silicon Valley have provided a template for the wider pool of employers who are trying to attract this talent. Opportunities at firms such as Google are prized for free snacks, game rooms, gym memberships, transportation to and from the workplace, and much more. With the rapturous coverage of these perks, it's common for more traditional employers to assume millennials flock to open positions at these organizations because they offer free massages. This fallacy has sparked an arms race of companies trying to attract top millennial talent through employee benefits that fall increasingly outside the norm.

But, if the key to engaging millennial talent is loading up on more and more freebies around the office, why is the average tenure of a Googler only 1.1 years? People voluntarily abandon a benefits package that includes naps on-the-job and the rest because those perks obscure the reasoning behind why those rec rooms and free meals are there in the first place.

Tech companies offer catered meals and free dry cleaning for a reason: because if your workplace has a gym, a free cafeteria, and childcare, you barely have to leave. These perks draw in candidates enraptured by the lifestyle that comes with a "generous," high-tech firm. But those same talented employees fail to stick around because, at the end the day, foosball isn't a culture.

For the vast majority of firms who either lack Unicorn status or just happen to be based outside the Bay Area, attracting millennial talent isn't a question of ramping up perks in an effort to ape Google. It requires engaging younger talent with the organization's purpose and empowering them to move it forward.

In fact, some studies indicate that the lavish perks tech companies offer have no effect on hiring at all. The reality

is that whether an employer perk is effective depends on the company culture it supports. Great cultures are rooted in organizational purpose, which not coincidentally is what those coveted employees value most. Before a firm spends $100,000 on ping-pong tables and concierge services, they need to invest in clearly articulating who they are, why they matter, and most importantly: why should employees devote themselves to advancing that cause?

Canadian sleep lifestyle company (and Woden client) Endy knows exactly why employees should devote themselves to advancing the cause of the company. The company began when one of the founders, Rajen Ruparell, attempted to purchase a mattress online and found the process unnecessarily difficult. He teamed up with co-founder Mike Gettis to start a company singularly focused on ensuring every Canadian can have the great day that only comes from a perfect night's sleep. Their Canadian-focused mission and pursuit of simplifying the buying process is the purpose-driven approach a millennial workforce craves.

The company could have been just another ecommerce mattress company; it experienced enough success to be acquired by Canadian mattress behemoth Sleep Country — the perfect opportunity to just allow Endy to operate as a digital front for its parent company.

Instead, Endy doubled-down on their story — an approach that has allowed the company to attract young, purpose-driven talent where perks-driven employers would least expect it: a Canadian mattress company.

With a clear mission centered on its customers—Canadians looking for a quality night's sleep that doesn't break the bank—Endy has eschewed the flashy workplace that tech companies have. Their Toronto headquarters are the perfect, relaxed reflection of their corporate ethos, and an instance where the "nap room"

is completely on-brand. Instead, Endy focuses on building connection within its team through a shared purpose each and every day. It's not about the Endy gear you get as part of a new hire's offer letter; it's about delivering a better night's sleep, and being singularly focused on the products, service and teamwork that delivers it.

Application of this ethos begins with how the company treats its customers. One of the largest points of internal pride are all the changes (product and otherwise) purely driven by feedback from Endy sleepers. In the pursuit of a better night's sleep, it's the sleeper that get the final say. Because the mission is purpose–not profit–driven, internal initiatives such as donating used Endys to charity feel authentic: everyone deserves a great night's sleep.

The result is a team that's not only growing, but retaining talent even through M&A activity, the exact type of thing that might otherwise prompt younger workers to update their resume.

Every company, no matter how big or small, needs a core narrative that aligns all of its operations: culture, just like marketing or product, is one of the primary tools for communicating it. When a company loses sight of its purpose, there's a direct impact on employee retention: competitors can always beat a salary number or add a perk, but a purpose-driven emotional connection between the employee and the company endures.

In a firm who clearly understands their strategic narrative, perks can be added that reinforce and strengthen the company's culture. Slack, for example, makes a point of limiting work to the company's office hours, as these reflect the core narrative of the Slack brand that puts people at the center of its offering, and allows work to happen anywhere. Slack's core values are patience, empathy, and courtesy, and these core values get reflected not just in its employee benefits package, but also in the way it interviews, auditions, and hires its employees. Slack knows its core story starts with working together, and that gets applied to its product, its customers, and its employees equally.

Effective narratives communicate a moral, or universal truth, to their audience. For an organization's narrative, the moral of its story is its purpose: a clear-eyed vision of what it offers the world establish the foundation on which an attractive company culture can be built. Once the company's core narrative has been established, it becomes an empowering tool for employees to advance the culture and mission on their own. And from that, millennial talent will come.

The particular power of establishing the strategic narrative is that it offers a cultural framework for companies without the inherent advantages of Google — such as a Canadian mattress company. It is a strategy that also works in traditional, staid firms, such as financial company Charles Schwab. Schwab's high employee retention rate comes from living its story. Rather than offering absurd perks, Schwab has focused its culture around the same financial security it provides its clients. These perks do more than ensure

happiness: they reinforce the company purpose through team experience, and help management be more confident in how that purpose is delivered externally. Charles Schwab doesn't pretend to be a tech company by offering free gym memberships, but provides its employees with a benefits package that's reflective of what the company's purpose in this world is.

Sinking some money into a new pool table or an espresso machine seems like a quick (if expensive) fix to the millennial talent problem, but the reality is that purpose and meaning in one's professional life are far more attractive than having an arcade at the office. Defining that purpose clearly, and aligning the culture behind it, is a deeper challenge — but its impact is far more enduring than that week's high score in Galaga.

Companies that lack this clarity of purpose will damage their ability to attract top-talent in offering the wrong perks. And, if those perks are all that connect the employee to the brand, it means they're liable to leave as soon as a better benefits package is offered elsewhere. Only connection to the brand's story is resilient against competitive offers.

There will always be another company with a larger budget offering higher salaries and better pet insurance, but every company has a unique story that defines its purpose. Investing in it, rather than focusing on the newest "cool" perk to catch millennial attention is the only effective way companies can match the financial competition of firms like Google and Facebook. Instead of investing precious resources convincing millennials what they'd get out of working at a company, invest those resources in clearly defining a purpose-driven narrative that makes others want to join the cause.

Or you could throw a couple of ping pong tables next to the water cooler. It seems to be working well for Google.

PERVERSION OF VALUES

By Hannah Landers

Thoughtful. Customer-obsessed. Iterative. Powerful. Accessible. In it together.

This list of adjectives conjures a workplace of camaraderie and shared responsibility—one in which every employee's achievements are celebrated, and any mistakes are seen as learning opportunities for the entire team to move forward together.

Reality can be a bit less picturesque. Those adjectives are the core values of Away, the trendy luggage maker that has recently come under fire for its toxic culture, which is marked by long hours with little pay, constant surveillance, and public bullying. Many startups have found themselves in similar situations; almost all startups suffer from limited time, people, and money, and have similarly struggled in building a healthy, sustainable culture that can thrive alongside demands from customers and investors—especially when the brand is hyper-fueled by celebrity endorsements and $181 million in funding.

The fact that Away didn't act in a way that enforced the positive, empowering elements of its core values was not what was surprising; brands with similarly meteoric rises, such as Uber, have faced similar failures of employee culture. What is shocking, however, is the ways in which these core values were weaponized to keep employees working harder and longer, to support the questionable tactics of the company's CEO, and to otherwise create an environment that ground down even the most fervent employees. Rather than using its core values to address the problems with its internal culture, Away's leadership guilted, coerced, and bullied its employees—using its core values as the key weapon in that fight.

Like many organizations that have had to grapple with rapid success, Away was founded with the intent of disrupting an established industry: luggage. Founders Jen Rubio and Steph Korey were inspired by Rubio's broken suitcase, which inspired the idea that would eventually become Away.

"...we decided to pursue the opportunity after asking ourselves, 'Why is good luggage so expensive? How come there are

no luggage brands that people are proud to recommend?'" Rubio told Fortune in July 2019. More than simply making Away a brand for affordable, iconic luggage, Rubio and Korey set out to make the name synonymous with the very idea of travel and adventure.

"We saw an opportunity to tell a more compelling story about travel, one that got people excited about what they could do with their luggage and where they could go with it," Rubio said in a 2018 interview with Authority Magazine.

This storytelling became a key piece of the external-facing brand: "Getting Away means getting more of out of every trip to come," according to the brand's mission. Away's Instagram is dotted with beautifully framed shots of snow-dusted Alpine towns and stunning cityscapes between artfully staged product shots. The brand regularly received glowing write-ups in publications such as CondéNastTraveler, and rolled out collaborations with the likes of jet-setting model Karlie Kloss and travel photographer Gray Malin.

Initially, this well-coiffed, millennial-friendly image seemed to extend to Away's internal culture as well. In September 2018, Korey (who was Away's CEO at the time) penned a "how-to" article for Inc. that divulged "The 5 Keys to a Top-Notch Company Culture." In addition to suggestions such as to "treat the way you build your culture as a core business strategy" and to "empower...employees to do the best work of their life" by granting them autonomy and trust to think creatively and lead freely, one suggestion stands stark: "Make sure that your core values are more than writing on the wall."

Korey explained how Away doesn't simply pay lip services to its values; rather, they are "ingrained" into the way that the team does its work every day: "Our values aren't just words on a wall, but a guiding philosophy that we put into practice every single day."

Core values are "the fundamental beliefs of a person or organization." Not only do these values help define the difference between right and wrong, and provide a general blueprint for behavior; they are also a good litmus test for whether a company is on track to achieve its goals. According to a joint study by HR solutions software company Workhuman (formerly Globoforce) and IBM, only 30 percent of employees feel as though they're having a positive experience at work when their experience doesn't align with the organization's core values.

Both Korey and Rubio, the latter of whom serves as Away's president and chief brand officer, recognized the appeal of these values, using the brand that Away had cultivated internally and externally to attract young employees. "Lauren," an anonymous former employee who joined Away in 2017 as a member of the customer experience team, was excited by the prospect of working for a company she had seen plastered "all over Instagram," and was constantly reminded that she was "joining a movement" that plenty of others would have killed to be a part of—ideas expressed in Away's values of "Powerful" and "In it together."

As the months of late nights up working and lack of vacation time piled up, however, the use of these core values to keep employees motivated became far more manipulative. Lauren's manager, for example, would send Slack messages to her team mentioning that she would be working late tonight, and that "dinner is here if any of you can work beside me." She would add that employees could leave if they "had to," but that she had to stay—exploiting Away's value of "In it together" to guilt the team into putting in an equally long night.

One of the most appalling examples of this manipulation of the core values came at the close of 2017. Lauren and her team had been pulling long nights and weekends responding to thousands of customer inquiries, all with the promise of New Year's Day—a guaranteed day off—motivating them to keep working. But on New Year's Eve, Lauren and her team received a Slack message from their manager stating that the team was behind on responding to customers, and laying out two options: continue with their day off as planned and fall even further behind, or work on their promised day off in exchange for a month of PTO at some point in the near future.

What's alarming about this message isn't the last-minute demand to work longer hours—plenty of startups have experienced an unexpected crunch time, especially in the case of a B2C brand around the holidays—but the way in which the message was couched in the language of Away's core values.

The manager opens her message with an effusive note about how lucky she is to work with "13 of the most dedicated, accomplished, professional, energetic, lovely, and caring girls" she has ever encountered, before pivoting into the choice that the team has to make. She explains this choice in a way that echoes Away's value of "In it together," mentioning that she will be in the office tomorrow for those who would like to join her, and that she knows just how "unfair and egregious" this request may seem.

"...I would never ask something of you that I didn't think we were capable of," the message concludes, followed by another unrestrained outflow of love and appreciation. In the end, the team did end up working on New Year's Day, though it was not a decision made with relish: "I burst into tears," another employee on the customer experience team said upon reading the message. "I was trying to finish so I could have my first day off in weeks." When the employee's mother suggested that she simply say no to the request, the employee replied that she couldn't do such a thing—the communal, thoughtful way that the request was made left the employee feeling as though she didn't have a choice in the matter.

Instagram feeds and public persona is how Away's story is understood externally, but core values are how that story is interpreted internally. Investing in a public narrative of travel and adventure attracted customers, but it also provided employees a reasonable lens through which to interpret the core values—and a

rightful sense of frustration when Away did not deliver with the same positivity as espoused externally.

Brands much less prominent than Away can experience a backfiring of their core values. A 2002 article in Harvard Business Review examined a pseudonymous (but real) company called Maverick Advertising. Founder John Bryant (also a false name for a real individual) formed the company in the late 1980s as an antithesis to everything he hated about big-name advertising companies; Maverick's core values were centered on employee growth, diversity and belonging, and work-life balance.

However, after studying the company from 1994 to 1999, HBR uncovered that the core values were both the things that employees prized and the source of their ire. In 1995, for example, Bryant had made the decision to invest in the company's growth by doubling the staff and the number of projects the company took on. While Bryant saw this as a chance to provide more opportunities for his employees to further their careers and professional skills in line with the company's core values, his employees saw the decision as one motivated by greed—and firmly out of line with the company's supposed spurning of materialism and extravagance. Following this disconnect, employees began to see more and more inconsistencies in the core values and Bryant's behavior and decisions.

HBR came to the conclusion that interpretations of the core values are just as important as the establishment of the values themselves. Where Bryant saw his decisions as enforcing the values in one way, employees saw his actions as a clear violation of what they had determined the values to mean. Away's actions may have been a bit more pernicious, the same rings true: Where employees like Lauren may have interpreted Away's core values as ones indicative of an empowering and community-driven workplace, leadership at Away saw them as leverage to coerce employees into working harder and longer.

In today's purpose-driven workplace, employers accept the importance of defined core values. But while many have focused on the benefits of simply developing a set of adjectives, far fewer have delved into what exactly makes those values successful or not. It's not enough to simply value transparency, for example; both employees and leadership also need to be aligned on the ways in which transparency applies to the brand's mission and purpose—the universal truth that drives all that the business does. Aligning these key elements of the brand with its overarching strategic story puts all parties on the same page—and keeps core values from rotting a brand from the inside out.

SERVING UP MORE THAN CHICKEN SANDWICHES

By Rachel Fox

It billed itself as "the discount airline." Air Southwest Co.—now known as Southwest Airlines—launched in 1967 with only three Boeing 737 planes that flew between three Texas cities. At the time, intrastate air travel was exempt from certain federal regulations, which allowed the upstart airline to offer rock-bottom prices. That low price point, along with never-before-seen perks such as free bottles of whiskey and choose your own seating, quickly captured the attention air commuters in the Lonestar State. On its first commercial flight, from Dallas to San Antonio, Southwest had only ten paying customers. In the following eight years, it upended the way Texans traveled, replacing long car rides with quick, inexpensive air travel: the time to travel between any two major cities in Texas was minimized to only 55 minutes. In 1979, Southwest branched out beyond Texas and began flying to neighboring states, thus beginning its ascent to being one of America's largest—and most loved—airlines.

While low fares give Southwest an edge in winning business, low-cost air travel isn't why customer satisfaction has consistently soared over four decades. Economy pricing isn't even mentioned in the airline's mission statement. Although it may have been Southwest's mission to democratize the skies, the airline's purpose, the moral of its story, drives its bottom line.

Like many brands, Southwest's top priority is delivering proactive customer service. What makes Southwest different is who it sees as its primary customer: employees. When its employees are happy, they pay that happiness forward in the form of enthusiastic, proactive customer service. In Southwest's case, this can take the form of singing flight attendants or irreverent wisecracking during pre-flight announcements. Putting the needs of employees first, and trusting them to advance the mission of the organization is why Southwest has been profitable for 45 consecutive years—and counting.

Southwest founder Herb Kelleher's mantra in leading employees is to "manage in good times to prepare for bad times." Kelleher taught his leadership team to inspire employee loyalty by fostering continuous learning, communicating honestly

with staff, and respecting the work-life balance. Southwest employees are empowered to make "heart-based" decisions, implement new programs, and help customers through issues, often without the roadblock of escalation. Each has personal responsibility for Southwest's success.

Southwest's "lead from anywhere" approach to its employees affords them the autonomy to make decisions on behalf of the customer, a mentality that has not only made happy fliers, but in some cases, a life-changing difference. When Southwest customer Mark Dickinson's grandson, Caden, was laying comatose in a hospital several states away, it was one Southwest employee's act of kindness and compassion that allowed Mark to see the toddler once more before he was taken off of life support. Dickinson was stuck in a long security line, and on the verge of tears as he knew he would likely miss his flight. Mark finally made it to the gate, breathless and sweating from running shoeless through the terminal, 12 minutes after his flight was scheduled to depart. Instead of finding an empty gate, the pilot himself was waiting to greet Mark and let him know they were holding the plane for him; his wife had called Southwest when she heard he would miss the flight. The pilot's words summed up the essence of employee-empowered decision making: "They can't go anywhere without me and I wasn't going anywhere without you. Now relax. We'll get you there."

Like Southwest, great organizations put their customers first—often by treating their employees well. Great leaders see themselves first as servants; if they execute their leadership that way it provides a model for employees that ultimately drives businesses forward. If executives serve their employees through mentorship, trust, and prioritizing their needs, it empowers those employees to mirror that behavior as servants of their customers.

A phrase first coined by Robert K. Greenleaf in his 1970 essay "The Servant as Leader," servant leadership rebukes the traditional leadership model of accumulating and exercising power, instead distributing power among employees and tasking the leader with creating an environment that allows for growth and development. Servant leadership is particularly effective in purpose-driven organizations, where it actively aligns an employee's sense of self with the moral of the company's story.

When this model is adopted by an entire organization, customers take notice.

In 2007, Popeye's Louisiana Chicken was in trouble. The fried chicken chain, then known as Popeye's Chicken and Biscuits, had churned through four CEOs in seven years. Profits were stagnant, the company's stock had tanked, franchisees were stressed, and restaurant employees were disengaged and performing poorly. When restaurant industry veteran Cheryl Bachelder became CEO later that year, she recognized the company clearly needed a cultural shift.

Though Bachelder was brought on to right the ship, she came to Popeye's on the back of a major professional failure. During two-and-a-half years as president and chief concept officer at KFC, the brand posted a

profit and showed negative sales numbers in nearly the same number of months, and she was fired. But, what Bachelder learned from her tumultuous experience at KFC helped shape ten very successful years at the helm of Popeye's.

At Popeye's, as with any consumer brand, putting the needs of the guests first seems like the logical choice. But Bachelder observed how that approach can create an impossible, constantly changing standard employees keep chasing. Often businesses attempt to address this by enforcing stringent rules, such as cleaning the bathrooms every 30 minutes or making sure a break lasts no longer than five minutes—process-driven fixes that fail to engage employees in actually putting the customer first. A turning point came when Bachelder was touring a restaurant to discuss customer service with the staff. One employee appeared disengaged, and when Bachelder asked about "why," he told her that until there was a place in the restaurant for him to hang up his coat, he couldn't get excited about serving guests.The lesson for Bachelder? For the company be in service to its customer, leadership first had to be in service to their own people.

To transform from a floundering fried food chain to a thriving chicken empire, Popeye's determined to position its franchisees, not its customers, as the hero of its story. Franchise owners were the ones who put in the equity—both sweat and financial—to open restaurants and were the ones who could ultimately make or break a customer's experience. Bachelder recognized the importance of aligning the whole organization—corporate, franchisees, and employees alike— behind a common purpose. Though the newly regrouped restaurant had a fresh strategic roadmap that included putting people first, there was still something missing: a defined culture.

Popeye's established core values centered around kindness and respect—with the intention of inspiring a sense of purpose in employees' their work. A purpose-driven brand is one where people see opportunity; after implementing this people- and purpose-first approach, franchise sales increased 45 percent, restaurant profits doubled, and the share prices more than tripled. Clearly identifying Popeye's hero, and aligning the organization around principles designed to empower that franchisee brought customers back and attracted new franchisees. Bachelder attributes placing employees before profit as they key to success: "The leader must have ... the courage to take the people to a daring destination and the humility to selflessly serve others on the journey. This dynamic tension between daring and serving creates the conditions for superior performance."

"The business of business is people." Herb Kelleher operated Southwest Airlines according to that maxim. It's why even during the Gulf War, when fuel prices rose so high that every flight actually cost the airline money, Southwest never had a layoff or reduced its flight schedule. And, it's why Southwest was profitable even in 2001, the only major airline to make a profit in the aftermath of the September 11 attacks. And, it's the same reason that at the end of economic recession in 2013—the

worst since the Great Depression—Popeyes posted its fifth consecutive year of domestic same-store sales growth, and its seventh consecutive year of international same-store sales growth. No matter the turbulence of the time, understanding who your customer is and trusting them, carries a brand forward.

Leaders who serve employees inspire employees who serve customers. Living in service of customers makes it easier for an organization to embrace its purpose, and easier for employees to live the brand's story. It's an experience that creates a unique emotional currency all stakeholders are eager to spend—all in service of moving the brand forward.