

031 I WHAT YOU CAN LEARN FROM A BRAND THAT WENT FROM BEING A COMMODITY TO A CULT BRAND

**EPISODE TRANSCRIPT** 

marca strategy

## A BRANDED WORLD PODCAST – 031 | WHAT YOU CAN LEARN FROM A BRAND THAT WENT FROM BEING A COMMODITY TO A CULT BRAND

Luiza Campos: You're listening to a branded world podcast, episode

number 31.

Announcer: 00:09 Welcome to a branded world podcast where we

explored great brands and give you tips, tools, hacks, and guides to create brands that captivate clients and drive growth in revenue. And now your host, Luiza Campos.

Luiza Campos: <u>00:27</u> Hello everyone, and welcome to another episode of a

branded world. A branded world is a member of the Alberta podcast network, powered by ATB and speaking of ATB, ATB has a digital bank account that the best part is that there's basically no fees as long as you're doing most of your banking digitally, and if you're anything like me, you're already doing that, so I encourage you to check it out. It's called a no fee, all n and you also earn interest on higher balances so it is worth checking it out and you can find out more at atb dot comm. I also want to let you know that Delbert, a podcast network, is putting on a live show on June seventh during the inventors conference that is taking place here in Calgary. The event is called podcasts. Connect at. Talk fast about the future and you'll get to see four podcasts that are part of the network and the podcasts are that so maven, the work, not work, show future chat, inaction, and of course a branded world, so this will be live podcast interviews there will be taking place and they will also be recorded but you can be present during this live podcast episode recording so we will be a lot of fun and the

topics are amazing.

Luiza Campos: 01:50 We are interviewing some of the most amazing and

interesting companies around so I really recommend you attending. Our friends from atb of course will be on hand to answer questions about all of the things that they are doing. Like really interesting stuff like ai, blockchain, robotics and that sort of thing. So it'd be really interesting. You can come for as many of the shows as you like all four if you. If you have time for that and it's free of charge, but you do have to register and you can do that. Add podcasts, connect dot event, bright.ca, and I'll have the link on the show notes so you can just go to the show notes@abrandedworldpodcast.com and you click the link to the event there and you can do all your

registration through that way and to learn more about these shows and the Alberta podcast network events.

Luiza Campos: 02:43

You can do that@Albertapodcastnetwork.com. So I hope to see you there on June seventh. Today's episode is a little different from what we typically do. I wanted to give you a bit of a brand story and this is a remarkable brand story of a brand that I'm sure you're all familiar with and I'm doing this because this story has significance and has really great tips for anyone who is trying to build a brand. So I want to through this story, I want to tell you about some of the significant things that this brand has done to become such an iconic brand. Become such a cold to brand that I think you will agree with me that he has managed to do that. And that brand of course is a ins of INS is if you're not familiar with it, I'm sure either you own a pair of, of ins or you know, somebody who does.

Luiza Campos: 03:43

These are the rubber flip flops that come from Brazil of course. And as I mentioned, you probably know a, someone who has a pair, if you don't have one or two pairs, you are yourself and have ins is a great example of a brand transformation. It's a great example of a company who realized the importance of brand and managed to do something that is really difficult to do, which is actually reconstruct their brand perception going from a negative to a positive one, which is really difficult to do. In fact, another story, uh, that an interview with Adam Legge I think is episode two of a branded world that I recommend you listening to, which is they did the exact same thing. This is an organization that has been around for 100, 18 years at the time, and that a managed to turn their perceptions around, which is a very difficult thing to do, but that's another example of, um, one of the handful of brands who actually managed to do that.

Luiza Campos: 04:48

So take a listen to episode two of a branded role to find out about that story. But [inaudible] was established in 1962. It was based on the traditional Japanese sandal known as Zori, and though the souls of the sorry were made from rice straw and the rubber soles of the fin as actually feel look closely. If you own a pair, you can go and take a look. But if not, I will have lots of pictures and videos to help illustrate the story. So you can check those out in the show notes later on. But if you look at the rubber soles of the, as they have shapes like bryce grain marks. And of course that's one of the unique

things about this product. And it comes from a reflection of those. Sorry, sandals which were made of rice straw. So that's why they have those shapes there.

Luiza Campos: <u>05:44</u>

If you didn't know. So Avaya, Anna's, as I said, established in 1962. They were very simple and inexpensive product and the sales were very high. I mean even after a year of establishing the product or starting the manufacturing and sales of the product, sales were very, very high. So the company really didn't give. They didn't have to give much consideration to their brand. They had really high sales. These were products because there were so reliable. They're durable and they were very cheap. Everyone in Brazil could purchase them and they did. So sales were very good. There was no issue with quality of the product. As I said, they were durable, they were reliable, they had only. They started with only one model and then they had a couple of models, but that was pretty much it, you know, it was just a very simple, straightforward product.

Luiza Campos: 06:41

And the sales were so good that they actually owned about 90 percent of the market in Brazil. They sold about 100 meals, sent sandals per year. So that's the significance of, of this product. So things were good and they really didn't need to have. I really didn't need to worry too much about their brand or at all and they didn't. And the product, the sales were so strong that it actually, it became a commodity, the product became a commodity and as anyone who owns the brand knows you are in a danger zone when your product is perceived as a commodity because it's easily interchangeable. There is no connection with the product, there's no loyalty with a product. So you may be selling a lot of it, but there's no loyalty and connection as I mentioned with that product. And if another one comes in the market, it's easily interchangeable and have ins became that they became a commodity.

Luiza Campos: 07:37

So much so that they were part of the Brazilian basket of basic goods. So this is the list of fundamental products that the government, no Brazil believes to be fundamental products and they safeguard or they control the prices of those products. Just like rice and beans have ins were part of that list. That's how much of a commodity this product became. And then of course, in early 19 nineties, the economy of Brazil started to pickup and those who were on a lower social economic level

found themselves with a higher income and higher disposable income and they didn't want to be seen wearing of ins, which became sort of a symbol or a synonym of poverty. They didn't want to be seen wearing this shoe even though it was a reliable and durable shoe. They. It meant the that time with poverty, it meant that they were part of, there would still be part of that lower social economic level and day of course, didn't want to be that way.

Luiza Campos: 08:49

And of course the higher social economic level of Brazil didn't want to be seen wearing this either because these products were considered to be for maids or garbage collectors, not for a higher socioeconomic level. So our sales dropped significantly in 1993. They dropped 35 percent in that year alone. So of course the company realized that that was the time to focus. Now on their brand, all of the sudden they are product who doesn't have a quality problem or issue. Who the WHO is durable, who's reliable, who surprise point is is fine, but he has a perception issue. There's no brand attached to that product. It is a commodity. It is perceived as such an easily interchangeable. There's no connection with the brand and the consumer, so we'll time to focus on the brand and that's what I've I, Anna's did have. I started to identify what they stand for, what are the values that they have and what they believe in in order to identify what their brand is and whatever I ins became is really a symbol for Brazil.

Luiza Campos: 10:10

They really started representing because they came from Brazil because they were such an integral part of that culture of what it is to be a Brazilian. So much so that they became part of that essential baskets. This was an essential part of Brazil and what do we stand for? What this, that culture brand stands for. It is about youth. It is about vibrancy. It is about fun and joy. It is about the environment. It is about art to decibel music and florals and found so I've ins became all of that. They embraced their brand and who they are, what they stand for, what they believe in, and with that they started creating sandals and with illustrations and designs that really reflected that brand, so they collaborated with different artists to develop designs of from those artists. Brazilian artists, of course, that really depicted a what it means to be a Brazilian, what it means to be part of that culture.

Luiza Campos: 11:22

What does that culture look like? They started a collaboration, of course, with different social initiatives to protect the environment and the flora and fauna of Brazil. They they started creating advertising with different artists from Brazil advertising campaigns with different artists from Brazil, including poets and visual artists, and of course soccer, because of course Brazil also stands for soccer, so they developed sandals for each of the teams of the soccer teams, so Avaya and has really embraced what he meant to be a Brazilian, embrace the culture of Brazil and started reflecting that culture back through their products and that was really successful because of course Brazilians saw their values, saw their culture reflected to them, so they started to embrace this product. They started to create emotional connections with the fin as brand. They started to see it for a brand and not just a commodity and part of it was also developing new packaging that reflected the fin is didn't come in that cheap plastic bag anymore.

Luiza Campos: 12:44

The packaging started reflecting a higher socioeconomic level, so he became more acceptable for higher socioeconomic levels to use of ins to where of ins so there were no longer associated with poverty and this was also key in there being embraced by this higher socioeconomic level of Brazilians, and I love this example because of course have ins became not just popular in Brazil, not because of their low price or because of the durability of the product or the quality of the product, but he became embraced and highly successful in Brazil because of what it means because of what it stands for. Because people could see their values reflected in this product in what have I stood for. And that of course expanded internationally as well. So much so that have ins was part of an Oscar goodies bag at one point in time. And you see, fin has been warned by many well known actors and other famous people around the globe and it is now available around the globe, so it's an amazing story and an in an incredibly successful brand story that really managed to completely change their brand perceptions and create an emotional connection with people standing for much more than they ever did, which is a really difficult thing to do, but it's a great example to highlight because I think it really brings the attention the importance of a brand.

Luiza Campos: 14:26 A brand is not a marketing campaign, it's not your logo and it's not just the quality of the product. Those things

have to be there. Your product has to really deliver in terms of quality, in terms of expectations. But if you don't have a brand, if you don't have an emotional connection with your audience, you don't have an edge. Your product can be easily interchangeable. And this example really highlights that and that's why I like it so much. People don't want to buy something. They want to buy into something and that's what I've. Ian Is understood and you can't win if you're a commodity and being easily interchangeable. You have to be a brand. In other words, you have to create that emotional connection. Branding is about emotion. It's about making you feel a certain way and reinforcing a set of beliefs or lifestyle. You have to win hearts and minds before you can win their wallets, particularly in this case as it is with many other cases when you are reaching out to a target audience that have choices, they have a choice on which product to buy and they will not just choose based on product quality or durability.

Luiza Campos: 15:47

They will choose to based on a product that reflects their values back to them that is appropriate to their, to the lifestyle, to that, to the way they want to be perceived by authors. Buying is no longer about getting things you need. It's about reinforcing a set of beliefs we hold and share, so it's extremely important for you to create that brand, for you to create, reflect those sets of beliefs back to your target audience. You have to sell a story that people already want to live and believe in. They want to contribute and be part of that story and that's where your brand needs to do so. It's not about finding new ways to sell more of something. It's about creating affinity. It's about demonstrating you share the same values. You stand for the same ideals and I am one to reinforce the word demonstrate because it's not just about you saying you stand for those things.

Luiza Campos: 16:57

You have to have proof points of that. Your actions need to reflect that. You're really genuine about that, so you really have to demonstrate that and it's about becoming part of your audience stories. In the end, branding is about reinforcing their beliefs, your audience's believes and allowing them to become better versions of themselves. Think about it. Every product or service we purchase that we have an association with that brand. We want that product or service because of what it means to us because of the kind of life, the kind of moments, the kinds of feelings it will give us. We don't

buy a car just to take us from point a to point b. We buy the specific type of car that matches according to our budget that matches as close as possible, the type of lifestyle, the type of personality that tries to reflect the type of personality that we have.

Luiza Campos: 18:01

We don't purchase clothes just to protect us from the environment, from nature. We were clothes that express our personality, that makes us feel more confident or more beautiful about ourselves. That helps us with that confidence and it's this is true for every product or service and the worst thing you can be as a company, as an organization has become part of a commodity. You really want to stand out and to have that edge is your brand, is what's going to give you that, that emotional connection, that reflection of the beliefs of your audience, of the values that they hold true of the type of life that they are trying to achieve or to create for them or for future generations. Whatever the case may be. That's what you need from your brand. That's the type of brand that you need to create. Don't just rest on the quality of your product or the features of your product.

Luiza Campos: 19:03

People don't buy just based on that. That needs to be there, but audiences are much more sophisticated. They by the stories that they want to have they by the stories that they believe in, so in a way you are selling a story and it's never been more important to know which one, so I leave you with that thought. Think about your company in your organization. What is the story you're selling, if any? What is the story that people think when they think of you? What are people saying about you when you're not in the room because that's your brand, that's your brand. Your brand is what people say about you. When you're not in the room and you have a brand, whether you like it or not. The thing is, do you have the right brand? Do you have the brand that is really connecting with your audience and delivering on their expectations?

Luiza Campos: 20:00

From an emotional perspective, you are selling a story and it's never been more important to know which one, so I hope you enjoyed this episode. It was a short and sweet one. I made two more of these in the future. If it's well received, so please leave a comment. You can do that@abrandedworldpodcastdotcom and also go to abrandedworldpodcast.com to find all the photos and visuals. That kind of helps tell you the story of lan as as,

as I mentioned here in the podcast. It is. I find it very interesting. I grew up in Brazil, so I saw this transformation, so I think this is a remarkable achievement of this brand and so you can check out some of the photos and visuals at the show notes. I also want to give you a heads up that I will be doing a podcast episode soon in the future. I haven't established the specific date yet where I'll be answering some of the questions that I'm getting from the listeners, so if you have a question that you would like to see answered in the podcast, there's two ways you can send that one.

Luiza Campos: 21:12

You can send it via email to info@Markastrategy.com and that's m, a r, c a, the word strategy, all one word.com or you can go directly to a branded world podcast.com and leave a message as you would leave a voice message. If you call somebody, you can do that right on the podcast. I'm homepage and you can leave your question there. I welcome any kind of questions related to brand. If you are creating a new brand or you're about to create a new company or product or if you are an established brand and you kind of lost touch of of who you are and your Dna and your brand and you need to revisit that a or is more specific you have is some challenge that you're facing or anything like that. So make sure to send your questions and to look forward to that episode. In the meantime, thank you so much for listening. And until next time.

Announcer: <u>22:14</u>

Thank you for listening to a branded world podcast. Discover more@abrandedworldpodcast.com.