It’s time for companies to push the *pause* button, dig deep, and commit to the ‘tribe’ of consumers that is the best match for what they have to offer.

*by Sohrab Vossoughi*
The Age of Meaning demands a distinct priority shift from efficiency to effectiveness. Customer equity, rather than market share, is the new measure of success.

evolution of the marketplace, business values and consumers’ deepening desire for authentic engagement.

The timeline begins with what we call the Age of Representation, when advancements in manufacturing technology allowed people to create near-identical products. The invention of the steam engine in the late 1700s launched the Industrial Revolution and marked the beginning of the era of mass production. This era included Ford’s Model T and America’s first planned community. Modern production methods made the American dream of owning a single-family home affordable to millions, and business was finally able to accommodate the basic needs of the masses with relative ease.

Next came the Age of Simulation from the mid-1950s to the 1980s, when manufacturing excellence and know-how helped industry evolve from meeting people’s needs to satisfying their desires. This was the realm of fantasy, of making ‘dreams come true’. The opening of Disneyland in 1955 marked the start of this epoch, followed by the rise of adult playgrounds like Las Vegas. The era of the ‘knock-off’ soon arrived, and China, Japan and Taiwan became hotbeds of low-price, high-volume manufacturing. This is the era that valued mass efficiency – ‘make as many products for as many people for as little as possible’. Market share, efficiency and quality were the measures of success.

The late 1980s and early 1990s marked a quantum shift in marketplace dynamics as companies undertook re-engineering efforts to make themselves more efficient in order to compete globally. The first Web site went online, initiating the ‘flattening’ of the world and empowering consumers with choices and the ability to expose insincere brands and institutions. The turn of the century brought a U.S. recession, the Internet boom and bust, myriad corporate scandals and 9/11’s terrorism, leaving people searching for meaning. The Web answered the call with sites like epinions and YouTube and in 2006, TIME voted ‘YOU’ the Person of the Year. Consumers were now empowered to satisfy their every whim with goods from around the world, and then blog about their experiences online.

In the last ten years, we have entered the Age of Meaning, where abundance and transparency have created a demand for authenticity. Consumers now seek brands they can trust, and they won’t – because they don’t have to – accept anything less. The efficiency-minded, technology-driven mass economy has been replaced by an Experience Economy controlled by consumers. Core technologies and skills have become commoditized, and time-to-market has shrunk from two years to six months or less.

In the Age of Meaning, a brand creates value and competitive advantage only when it delivers a compelling, holistic experience that is authentic, unique and relevant. Recent behaviour on Wall Street has only deepened this trend and amplified the desire for authenticity and meaning on Main Street. Consumers will only put their limited budgets behind brands whose values and products are aligned with their own altruistic goals.

A Shift in Values

In December 2008, Brandweek reported on a study by MS&L Worldwide, conducted in partnership with GfK Roper that examined some of the corporate values today’s consumers find most important and the effects of such perceptions on maintaining long-term business. One of their most striking findings was that “while price and quality may be the primary purchase influencers in tough times, in the long run, it is values that matter the most.” Seventy-seven per cent of consumers surveyed said they either strongly agreed or somewhat agreed with that statement.

Starbucks exemplifies a company stalled at the crossroads of the Age of Simulation – when efficiency reigned – and the Age of Meaning, where effectiveness reigns. Having set out to design a ‘third space’ for its customers, Starbucks went on to repeat that experience around the world. By its own admission, it soon lost sight of who it was and what its customers wanted. Automated espresso machines made coffee-making more efficient, but at the cost of handcrafted beverages served with the care and engagement of the barista. Couches were replaced by coffee tables and chairs, dismantling the ‘third place’ feeling in favour of a fast-food feel. Merchandising ran amok and food, music and book clubs diluted the ‘Starbucks story’ until the experience felt like little more than a kit-of-parts that could be put together by anyone, anywhere. Word spread like wildfire on the Internet, helping to prompt Starbucks fall from grace.

What the Age of Meaning demands is a distinct priority shift from efficiency to effectiveness. Customer equity, rather than market share, is the new measure of success. This is an era characterized by intimate conversations with select consumers; by meaning-rich experiences that foster a sense of empowerment and belonging;
and by design thinking that artfully crafts experiences that extend to every touch point of a brand.

What is effective – i.e. meaningful – for your tribe and unique and authentic to your brand is now far more valuable than being bigger, better or more efficient than your competitor. Following are a few approaches to consider when effectiveness is your top priority.

1. Create Meaning
Effectiveness means doing what is right for your brand and for your tribe. Companies must be willing to define or redefine the relationship with their tribe in terms that are meaningful and relevant.

The 95-year-old Clorox company owns a handful of brands that aren’t necessarily known for their environmentalism – S.O.S. Pads, Formula 409 and Liquid Plumber, to name a few. CEO Don Knauss joined Clorox in 2006 from Coca-Cola and began to shift attention to environmental concerns like greener packaging and monitoring their carbon footprint. The company’s new Green Works cleaning supplies line was a response to the evolving desires of its customers. Clorox hit the bull’s eye, and in the first year alone enjoyed $40 million in sales.

Green-business guru Joel Makower, who consulted with Clorox on the launch of Green Works, describes the evolution of the company’s new green brand on his blog, makower.typepad.com. He talks about how Clorox market research identified a “consumer market they dubbed ‘Chemical-Avoiding Naturalists’ – consumers who wanted greener cleaners but felt the incumbent products didn’t work well, came from brands they didn’t know or trust, were too expensive and weren’t always available where they shopped.”

Jessica Buttimer, Green Works’ director of marketing, described the opportunity as follows: “We were actually in a perfect position as a company. We had the Clorox brand; we had these distribution channels and great relationship with Wal-Mart; we had the science to make an efficacious product; and we had the scale to charge just a 20 per cent premium, instead of the usual 100 per cent premium.” Listen closely: this is the language of effectiveness.

In just eight months, Green Works sold $3.4 million worth of glass cleaner, compared to $1.1 million sold by Seventh Generation and $947,000 by Method over a full 12 months. Green Works’ effect on the market has been so dramatic that as of November 2008, Seventh Generation has initiated a product redesign in response to the threat to their market supremacy and the extreme change within the sustainable products market in general. In the meantime, Clorox has effectively engaged a new generation of Clorox brand consumers and bolstered the green cleaning products market for a wider audience.

2. Less is More
Effectiveness also means considering practices that may have previously seemed antithetical to business success, like harnessing growth. For example, when it learned that sales were expected to surpass the projected target, Toyota decreased production on its Scion model, protecting the ‘specialness quotient’ and helping the product maintain, or even increase, its value.

In 2006, the Wall Street Journal reported that the Scion was on track to beat its 150,000-car-a-year sales goal by 25,000 vehicles. “This is a big reason why Toyota surpassed DaimlerChrysler AG to become the No. 3 auto maker in the U.S. in sales. But instead of riding that momentum to increase sales even further, Scion plans to throttle back production to keep sales from going above 150,000 vehicles next year. This is part of its marketing strategy to keep the brand special and, above all, cool.” Toyota clearly understands that one of the secrets to creating meaning lies in limiting the size of its success. Not only does bigger not necessarily mean better, it could mean the death of a brand.

This rule also applies to the total number of a firm’s product offerings. General Motors has recently come under fire for the ‘bigger, better, and more’ mentality that fueled its eight-brand, 70-model offering. While the company may have been trying to efficiently match different consumer segments or tribes with multiple brands and model options, the strategy was about as effective as throwing spaghetti onto the wall to see which strands stick. Meaning is rarely made from demographic data alone, and GM would have been better served by understanding its tribe’s deepest cravings and designing just a select few, relevant products.

In a December 2008 article titled “At GM, Innovation Suffers for Profits,” the New York Times reported that GM finally acknowl-
It tells a simple story and stays true to its brand DNA. For this, the average customer spends over an hour in the store and spends close to $80 per visit. Urban Outfitters and Free People are equally zeroed-in to their respective tribes. Women’s Wear Daily reports that all three stores are selling between $800-1,000 per square-foot. The company leverages the same back-end systems, but tailors each brand experience with care. Urban Outfitters’ recent announcement that it is considering additional concepts is further evidence of effectiveness thinking.

In his book, ZAG: The #1 Strategy of High Performance Brands, Marty Neumeier calls the Urban Outfitters model a ‘house of brands’ and compares it to the ‘branded house’ model (i.e. Starbucks). For Neumeier, the advantage of a house of brands is that each one is “free to fight its battles on its own terms, unfettered by the meaning of the parent brand.” The advantage of the branded house, he explains, is that “all products and services can share the same budget, customer and market position.” However, it also runs the risk of getting bogged down by trying to be everything to everybody.

In the Age of Meaning, when the rate of change seems to only accelerate, a ‘house of brands’ has the ability to be more nimble and respond to shifts in consumer needs and market trends. Platform innovation, for example, can create an ecosystem of partner brands. Apple makes only four iPod products, but there are more than 3,000 products that other manufacturers and brands create around them. Companies can enrich the experience of their brands by extending utility, borrowing status or quickly leveraging new trends. The key to success, however, lies in a company’s ability to create relevant experiences for their targeted tribes: a ‘house of brands’ can only achieve success if it is a house of meaningful brands.

3. Take a Platform-based Approach
Effectiveness means tailoring niche – rather than mass – brands that are relevant to your tribe. The key is to leverage back-end efficiencies for front-end success, similar to technology platforms that are leveraged to run countless software programs. Clorox’s Green Works is a successful platform-approach, utilizing the same back-end systems (distribution channels, production methods) and established brand equity to produce a new product targeted to a specific audience. The ‘price to play’ is therefore significantly less and, if done effectively, can only pay off.

Urban Outfitters is another such success story. The clothing retailer, which also owns Anthropologie and Free People, knows what it does best – merchandise and lifestyle brands that empower its tribe(s) to be more authentically themselves. Anthropologie’s customer, for example, is not a roughly-sketched demographic or price-point niche, like, say, GM customers or those targeted by the Old Navy, Gap and Banana Republic continuum. Nor does the company expect to sell a selection of products to everyone with a ‘one-size-fits-all’ approach. Instead, it demonstrates its understanding of the tribe by digging deep into the subtleties of the psychographic profile of a specific type of 30-something, married woman. Anthropologie stores are an extension of her adventurous, bohemian-chic self that doesn’t get as much play when juggling a career and kids. Anthropologie’s retail environment is an artful rendition of a French market, creating an air of discovery and whimsy. It tells a simple story and stays true to its brand DNA. For this, the average customer spends over an hour in the store and spends close to $80 per visit.

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4. Consistency is Key
Effectiveness means that the brand experience is extended to every touch point – what we call a ‘360-degree experience’. There is no experience-killer worse than a story being told from only one aspect of a customer’s interaction with a company. There may be a great product or service hiding in there, but if customer
service or a Web site doesn’t extend the brand experience, the brand is invalidated and there is a high risk of losing the customer. Every aspect of the brand must reflect the desires of your tribe.

Apple, of course, is the master of a platform-based, 360-degree effectiveness strategy. The story of Apple is told in every last detail of the experience, from elegant package design to the genius bar in Apple stores to their ads that say ‘Apple’ in a way that only Apple can say it. As a result, the Apple tribe continues to fall ever-deeper in love with the company that woos them with such care. Apple continues to produce a very limited number of products that allow their tribe to more authentically be themselves; contrast this model with SONY, which produces hundreds of different products each year, only a handful of which are real profit makers. Every Apple product has a story and a meaning behind it, as well as a profit margin that is the highest in its industry. Clearly, an effectiveness mindset pays off.

In closing
During a recent conversation with leaders of a major food company, a senior executive said to the group, “In the early 2000s we became the most efficient food company in the world; but so have our main competitors. What now?”

In the end, every efficiency strategy has a natural limit, because it can be imitated. Competitors can leap-frog your business in a matter of months. What is truly effective – i.e. meaningful for your tribe, unique and authentic to your brand – is inimitable.

It’s time for organizations to push the pause button, dig deep and commit to their true DNA and to the tribe that is the best match for what they have to offer. Such effectiveness should be at the top of the agenda for every CEO today, and it should not stop there. Time should be set aside at regular intervals – every six-to-nine months – to take stock of trends and of the tribe’s shifting behaviour, attitudes and values.

Change. Adapt. Innovate with soul. And worry about efficiency only after it is completely clear how to be effective. It will be hard work, but the potential payoff is great, and the Age of Meaning requires nothing less.
This survival guide supplies an essential set of apps for the prefrontal cortex while making science both accessible and entertaining. It will dissolve your fear of numbers, demystify graphs, and elucidate the key concepts of probability, all while celebrating the precise use of language and logic. David Helfand, one of our nation's leading astronomers and science educators, has taught scientific habits of mind to generations in the classroom, where he continues to wage a provocative battle against sloppy thinking and the encroachment of misinformation. This is a challenging mismatch. The primary drives are still there, of course, but your means of fulfilling them have altered radically. Find food: a drive-through McDonalds or a stroll through Whole Foods—no spears or snares required. Home » Case Study Analysis Solutions » A Survival Guide for the Age of Meaning. A Survival Guide for the Age of Meaning Case Solution & Answer. Case Study Analysis Solutions. Alternatively, consider the cultural capital of a menial office job (if you can find one). In large part thanks to The Office, Mad Men, and the hipster tendency to celebrate the irony of those antiquated, uncanny phenomena that persevere into our modern age despite their outdated nature, menial office jobs such as file clerk and front desk manager at Enterprise Car Rental are poised to become the next highly desired jobs captured only by the most elite in attitude, fashion and diet (via irony). Dating. With the rising popularity of sites such as Okcupid, Match.com, and regional online-dating Survival skills are techniques that a person may use in order to sustain life in any type of natural environment or built environment. These techniques are meant to provide basic necessities for human life which include water, food, and shelter. The skills also support proper knowledge and interactions with animals and plants to promote the sustaining of life over a period of time. Survival skills are often associated with the need to survive in a disaster situation. Survival skills are often basic.