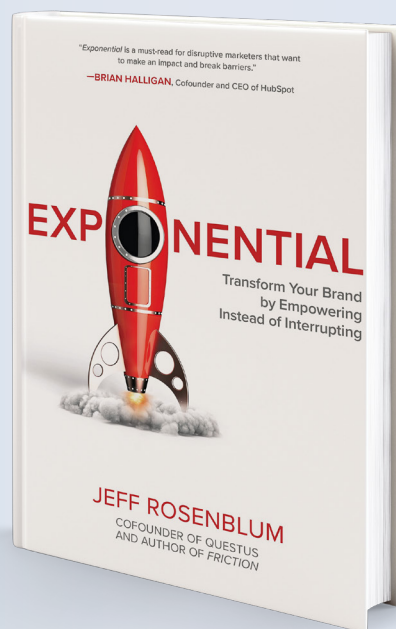


BOOK SNAPS™

Zooming In On Your Next Read



Exponential

Transform Your Brand by Empowering Instead of Interrupting

By Jeff Rosenblum

Jeff Rosenblum is a Co-founder of Questus, a digital advertising agency that has worked with some of the world's most influential brands, including American Express, Apple, Capital One, Disney, The NFL, Samsung, Starbucks, Universal, Wyndham and Verizon. Jeff created a documentary about the advertising revolution called *The Naked Brand* and the groundbreaking book *Friction* which explained how passion brands are built. Jeff has lectured at some of the top universities in the world, including Yale, Cornell, Columbia, and London Business School. He has won some of the ad world's most prestigious awards and presented at some of the industry's largest conferences.

Finding Talent with a Creative Spark

“The rate of change is exponential, and so are the opportunities.” With those words, Jeff Rosenblum ends his book, *Exponential: Transform Your Brand by Empowering Instead of Interrupting*. Rosenblum's main thesis, delineated in the paragraph above, is that the world of advertising has changed. Gone are the days when companies could craft brand identities through words that are independent of their culture and behavior. Gone, too, are the days when a company could rely on interruptive advertising alone to create needed growth. The companies of today need adequate transparency and authenticity in order to thrive in the marketplace of today.

Rosenblum lays out his argument by discussing the advertising revolution. He says that at its core the advertising revolution “is how brands communicate with consumers.” Many falsely believed that digital advertising would simply be a replacement for the old system. Most companies continued to rely on interruptive advertising instead of coming up with new strategies that would complement the new tools. The world of today provides new challenges according to Rosenblum. These challenges involve advertising, strategy, data, culture, and leadership.

Rosenblum describes exponential growth as looking like a hockey stick. In other words, growth stays relatively static before it skyrockets. Key to this type of exponential growth are brand evangelists. These are people who actively promote brands via word of mouth. The process of creating this growth and of inspiring these evangelizers is both creative and scientific. There is a process to follow.

Success these days, according to Rosenblum, goes beyond messaging. It requires transparency. It is behavior, not advertising, that can determine success and failure. Traditional advertising is not dead, however. It is still key to generating demand and informing people about products. It is not sufficient, however, for exponential growth in the digital age.

Rosenblum goes into detail about the difference between transactional brands and emotional brands. Transactional products fill a need, and if the price is right, consumers will purchase them when they are needed. “Emotional brands, on the other hand, create irrational relationships - in the most positive sense of the word. They generate irrational enthusiasm. They charge

irrationally high prices. Their customers literally ignore the competition. Some become evangelists who promote the brand on their clothing, in online reviews, and during impassioned conversations around the dinner table.”

The key to creating these relationships and these evangelists, according to Rosenblum, is by adding value in every step of the consumer’s journey. The more evangelists a brand has, the less advertising the company needs to purchase because the evangelists are doing the job of the advertisers. These brands do not have to rely solely on advertising to create their brand story.

After discussing emotional brands, Rosenblum goes into a discussion of what he calls the institutional insanity of corporate advertising. He claims that the insanity he witnesses where companies rely on traditional advertising models developed around reach and frequency may have worked for a century but they are no longer sufficient. To elaborate on this, Rosenblum discusses work he did for a motorcycle company called Hayabusa. After discovering a strong link between motorcycles and hip hop culture, they created an innovating campaign to provide value to consumers. With his help, Hayabusa had some underground hip hop rappers create backing tracks with no lyrics. Fans could then record their own raps about the bike and upload them where listeners could vote. The winner was awarded a customized motorcycle. Contestants promoted their entries over their social media channels generating awareness among all of their contacts and the contacts of their contacts who shared the tracks. All of these contestants became brand evangelists, and the brand skyrocketed.

Manipulating Brains

Advertising is about creating interest and prompting people to action. Doing this effectively requires an understanding of the human brain. Rosenblum explains that in the modern age, people have five times as much information competing for their attention than they did just thirty years ago. The filters people’s brains employ to block out unneeded information makes the job of advertisers more difficult. In fact, he describes these cognitive filters as being “an almost insurmountable barrier for brands.” He goes on to say that “Data shows that traditional advertising techniques are becoming increasingly ineffective.”

One way certain companies can break through these filters is through boring advertisements. Rosenblum details the first Apple advertisement he saw for the iPod. It was a billboard. About one third of the space was taken up by a crisp picture of the product. The other two thirds had the words, “1,000 songs in your pocket.” At the time, people needed to understand what an mp3 player was and what it could do for them. It was a new product category, and people did not understand it. This simple advertisement clearly told consumers the benefit this product could provide for them. It was tremendously successful for Apple. About boring ads, Rosenblum says, they “may not win awards, but they can sell products. They can empower audiences. They can change companies. They can even change the world. Sometimes the bravest thing a brand can do is be

boring.” When a product is truly better than the competition, a boring advertisement can be a powerful tool.

Rosenblum then goes on to discuss oxytocin and its role in how consumers view brands. Oxytocin is otherwise known as “the trust chemical.” He mentions research that shows that 85 percent of consumers say they would consider purchasing a brand if they trust it. This makes oxytocin significant for advertisers. So how do companies build trust? They do it through honesty, transparency, clear communications, and by respecting the time of their customers. These days brands are judged not just by their messaging but by their behavior. This behavior includes their core values and demonstration of empathy, and social media and videos and pictures on mobile devices can make it very easy for people to share the actions of companies.

The Importance of Brand

Rosenblum says that “brand building is a methodical process based on small, compounding steps that lead to exponential results.” A brand itself can be worth billions of dollars. Rosenblum thinks of a brand as “a shortcut that helps people process and understand the meaning behind the logo.” Consumers use them as a way to determine if a company’s core values are in line with their own beliefs and if the company’s products can meet their needs.

Rosenblum does not believe the traditional brand pyramid is sufficient in the world of today. This traditional model contains the first three layers that are internally facing and then the two top layers that are externally facing and are intended to inspire customers. Because brands are judged on how they behave rather than just how they are portrayed, companies need to go beyond merely focusing on and implementing the brand pyramid. Since customers can easily see a company’s behavior, they want to support only those companies whose values align with their own. This requires companies to think differently about brand.

Instead of relying just on the brand pyramid, Rosenblum says that companies need to focus on a “brand building.” He says the foundation of a brand building is empathy and empowerment. Empathy requires listening to the audience whereas empowerment turns that listening into action by creating meaningful experiences that benefit people’s lives. Then Rosenblum discusses the three pillars of the building which are inspiration, aspiration, and education. Finally, “the exterior of the building is based in transparency and simplicity.” Rosenblum claims that most advertising is either direct marketing or brand building.

New Considerations

Rosenblum believes that the sales funnel is still a helpful way to think about customers. The top of the tunnel is awareness of the brand, the middle is interest and consideration, and the bottom is purchase and evangelism. Most companies focus on the top and bottom of the funnel, but Rosenblum believes more attention needs to be paid to the middle where people spend most of their time and where they assess values, features, and functionality. Brands should not focus exclusively on the middle



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of the funnel. The top and bottom are important as well. Digital tools, however, provide brands more access to consumers in the middle of the funnel than they ever had before.

Rosenblum then moves on to culture and says that “even modest mistakes in culture can devastate an organization.” One of the reasons that culture is so important is because all members of organizations these days have access to social media where they can share their experiences, both good and bad. Rosenblum says that “culture is about putting people in position to do their best work.” Culture involves maximizing processes, tools, and people. It requires both talent acquisition and collaboration. This requires a methodical approach. Collaboration requires that people feel psychologically safe. Because people can see through clever messages and see what a company is actually doing, advertising’s role is to put “a creative lens on a brand’s internal culture.”

The Selling of Ideas

Brands have become good at using emotional messaging to promote their products to consumers. In this capacity, they act well as storytellers. Most brands, however, are not as good at selling their ideas to other business clients. In these environments, many brands rely on dry statistics that lose their audience from the beginning. In order for a stellar idea to be put into action, it has to be sold first to the decision makers. To better do this, people need to return to story telling when selling their ideas to business clients.

Rosenblum is interested in what he calls intentional sales. With intentional sales, big ideas are presented “using a strategy, a team, alignment, and collaboration.” To do this requires four steps:

- **Starting at the Finish:** Here it is necessary to define “the exact environment and desired outcomes for every interaction.”
- **The Listening Tour:** This involves conversations with key people within an organization. Ideally, the person should focus on a 62:38 speaking:listening ratio.
- **The Inverted Triangle:** Too often in pitches and presentations, people begin with the details and the statistics before presenting the big idea. This can lose audiences before the most important parts are even presented. Therefore, it is ideal to begin with the big idea before going into details and statistics.
- **Managing the Outcome:** This requires a person to know the desired outcome of every interaction and moving towards that outcome before every interaction ends. It requires a person to move towards that outcome at the end of any interaction with a timeline and the next steps.

Going Exponential

While brands want to grow exponentially, exponential growth is hard to manage. Therefore, “brands must concurrently build out processes to manage exponential growth while building the empowering content and experiences that create it.” This all requires process and planning, and these processes need to be scalable. These processes need to be managed down to the smallest detail.

Rosenblum ends his book by explaining that the lessons learned about exponential growth do not only apply to business. They apply to personal life as well. He says that studies show that the better our relationships, the happier we are as people. Empowerment, which is key to successful business messaging and branding. It is also key in a person’s personal life.

Rosenblum says that we have been through three industrial revolutions, and we are currently entering a fourth, “fueled by automation, big data, and artificial intelligence.” He believes that the changes brought about by robotics may even rival the changes brought about by the internet. To manage in this new environment, businesses will need nurturing and empowering business models. His book helps explain how companies can achieve this.

Throughout Rosenblum’s book, he intersperses anecdotes about particular business and specific accounts he personally worked on. Each of these anecdotes tell the story of how he and others have created successful brands and have used traditional advertising and a new focus on bringing value to every stage of the process in order to grow brands. A brand, he says, is a company’s biggest asset. Rosenblum has a clear understanding of the entire process of building brands and successfully manages to convey those principles to his reader, leaving them with a clearer picture of what is required of brands in the new world of today and the emerging world of tomorrow.

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