BUILDING INNOVATIVE BRANDS
welcome to day 2!
Dove Real Beauty Sketches

https://www.youtube.com/watch?v=litXW91UauE&feature=youtu.be
## Syllabus

<table>
<thead>
<tr>
<th>DATE</th>
<th>TALK</th>
<th>INNOVATOR</th>
<th>LAB</th>
<th>DUE</th>
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| JAN 25 | **dive in!**
get acquainted with the course & one another. | **Blue Bottle**
Bryan Meehan, Chairman | **d.thinking**
reinventing the thank-you gift | team formation, book
team meeting schedule |
| JAN 27 | **start human-centered**
build brand inside out | **Virgin America**
Luanne Calvert, CMO | **field work**
observing & interviewing stakeholders | gathering relevant project
information and inspiration, work on brand audit |
| JAN 29 | **create with purpose**
know thyself | **Uber**
Laura Jones, Product Marketing
& Creative Strategy | **inspiration board**
gallery
 generating ideas, bringing them to life | to share: bring inspiration board
(photos, visuals and quotes from brand audit) |
| FEB 8  | **invite participation**
co-create experiences; collaborate to create value | **Salesforce**
John Zissimos, Chief Creative Officer | **Storyboard sharing**
get feedback & hone your story | rough storyboard showcasing new experience |
| FEB 10 | **spark stories**
create and invest in stories that build value as they grow | **you** | **iterating**
evaluate & evolve your idea | beta of your final project |
| FEB 11 | **team presentations**
pitch your concept | | **celebrate**
graduation + wine reception | to share: final project |
## Day 2

### STEPS

<table>
<thead>
<tr>
<th>1</th>
<th>15 min</th>
<th>Overview</th>
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<tr>
<td>2</td>
<td>60 min</td>
<td>Start Human-Centered and BB</td>
</tr>
<tr>
<td></td>
<td>15 min</td>
<td>Cushion</td>
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<tr>
<td>3</td>
<td>60 min</td>
<td>Stakeholder Interviews</td>
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<td>4</td>
<td>45 min</td>
<td>Team Lab and Wrap-up</td>
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Rethinking brand

- Spark stories
- Invite participation
- Start human-centered
- Create with purpose
Start human-centered

Build from inside out.

Focus on relationships and needs.

Listen actively.

Recover gracefully.
Build from inside out.
Focus on relationships and needs.
Listen actively.
Recover gracefully.
Build inside out

**DEFINE**

UNDERSTAND
- Principles
- Beliefs
- Personality
- Attributes

CLARIFY
- Vision
- Philosophy
- Story

CONNECT
- Story
- Messages
- Promise

IDENTITY
- Symbols
- Colors
- Voice
- Tone

ASSETS
- Logos
- Typography
- Photography
- Sound

TOUCHPOINTS
- Letterhead
- Packaging
- Website
- Signage
- Advertising
- Spaces
Build inside out

Starts with CEO, and then brand is built inside out.

And when employees are passionate about the brand and embody it, the offerings and customers will follow.

But how to build brands inside out?
How?

brand personality

Human characteristics associated with a brand

brand attributes

Product attributes associated with a brand
Even brands can be human-centered. Brands with personalities resonate with employees, ignite feelings, and define relationships.
How to quantify?

please rate the extent to which the following personality traits describe Apple.
(1 = not at all, 5 = very much)

Source: Aaker (1999, JMR)
“Big Five” dimensions

BRAND PERSONALITY

Sincerity

Excitement

Competence

Sophistication

Ruggedness

Source: Aaker (1999, JMR)
Sincerity

Down to earth
Family
Oriented
Small Town
Honest
Sincere
Real
Wholesome
Original
Cheerful
Sentimental
Friendly

Source: Aaker (1999, JMR)
Excitement

Exciting
Trendy
Daring
Spirited
Cool
Young
Imaginative
Unique
Up to date
Independent
Contemporary

Source: Aaker (1999, JMR)
Competence

Reliable
Hard Working
Secure
Intelligent
Technical
Corporate
Successful
Leader
Confident

Source: Aaker (1999, JMR)
Sophistication

Upper class
Glamorous
Good looking
Charming
Feminine
Smooth

Source: Aaker (1999, JMR)
Ruggedness

Outdoorsy
Masculine
Western
Tough
Rugged

Source: Aaker (1999, JMR)
"Big Five" dimensions

BRAND PERSONALITY

- Sincerity
- Excitement
- Competence
- Sophistication
- Peacefulness

Source: Aaker (1999, JMR)
Peacefulness

- Shy
- Mild-mannered
- Peaceful
- Naïve
- Dependent
- Childlike

Source: Aaker (1999, JMR)
“Big Five” dimensions

Sincerity  Excitement  Spain

Passion  Competence  Peacefulness

Source: Aaker, Benet-Martinez and Garolera (2001, JPSP)
Passion

Fervent  
Passionate  
Intense  
Spiritual  
Mystical  
Bohemian

Source: Aaker, Benet-Martinez and Garolera (2001, JPSP)
Brand measures

CONSUMER QUESTIONS

Awareness
What are you?

Attitudes
What about you?

Associations
What are you?

Attachment
What about you and me?

RELATIONSHIPS
Loyalty
Attachment
Engagement

JUDGMENTS
Quality
Credibility
Consideration
Superiority

FEELINGS
Warmth
Fun
Respect
Fear/excitement
Awe/jealousy

BRAND ATTRIBUTES
Quality
Reliability
Durability
Price

BRAND PERSONALITY
User Imagery
Usage Imagery

AWARENESS
Category Identification
Recall and Recognition

IDEAL OUTCOME

Source: Keller, Strategic Brand Management
Brand personality defines relationships
Relationship
1: the state of being related or interrelated.
2: Existent when future interaction with partner is expected.
I wouldn’t invite you to my party, you are not good enough

I can live without American Express

Source: Blackston (1993)
We’ll be doing things my way.

I would like Microsoft out of my life.

Source: Blackston (1993)
In any relationship, one partner will eventually fail.

- A really smart person
Sincerity

Captura Photo

Welcome to the Captura Photo Community!

Thank you for wanting to learn more about Captura. Whether you are a new camera owner or an experienced shutterbug, the Captura Community will help you capture those sentimental moments in your life. We offer all the major brands of film, and use Kodak processing service to make sure that what you see in your pictures matches what you saw in the lens. Also, our NetAlbum service will let you post your favorite shots to share with anyone you want – or email them to anyone you want! So whether it’s a graduation, wedding, or a birthday, Captura can capture the real memories in your life.

Captura sends trusted film brands to your door.

The Captura Online Store carries film from all the major brands, such as Kodak, Fuji, and AGFA, with a full range of speeds to match your needs. These films all have the rich color and deep grain you need to capture the warmth of your pictures. You can also set up an automatic delivery system where we ship you a new film roll when we receive a developed one. That way you will never miss an important event such as a graduation or birthday. We ship the film in a static and magnetic field blocking mailer, so your film arrives in perfect condition. Our return mailer has the same coating, guaranteeing your film returns to us exactly how it left your camera.

Captura uses Photomax processing for realistic prints.

The best film in the world means nothing if the processing system changes the color or contrast of your pictures. That’s why we use the Kodak Photomax processing system, certified as the highest quality service by many developer associations, to make sure your pictures turn out exactly as you took them.

Captura digitizes your pictures for you.

We use our professional-grade scanners to scan your photos at 600dpi, so you can be sure that your on-line images remain true to the original pictures.

Captura posts your pictures to a Net-Album.

You can create your own on-line NetAlbum. You can organize your pictures into different albums, and set different security levels for each folder (private, password, or open). This way some pictures can stay private while you can share others with the world. Once you start sharing the warmth with friends and family on-line, you’ll look at normal film in a whole new light. Don’t be surprised if your NetAlbum becomes a favorite destination of yours.

Captura adds content for more realistic pictures.

We are constantly on the lookout for features and special to help you Realize Your Picture Potential. Whether it is weekly tips on how to take photos in different conditions, or special panels of professional photographers, we can help make sure your pictures come out as real as the images you see through the lens.

Captura: Because Life Is Too Meaningful To Let You Pass It By!

Source: Aaker, Fournier and Brasel (2004, JCR)
Excitement

Capture Photo Experience!
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Capture brings the hottest film brands to your door.
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Capture digitizes your pictures for you.
We use our professional-grade scanners to scan your photos at 4000dpi so you can be sure that the online image captures all the excitement of the original picture.

Capture posts your pictures to a NetAlbum.
You can create your own online NetAlbum. You can organize your pictures into different albums, and set different access levels for each folder (private, password, or open). This way some pictures can stay private while you can share others with the world. Once you start sharing the fun with friends and family online, you’ll look at normal film in a whole new light. Don’t be surprised if your NetAlbum becomes a favorite destination of yours.

Capture adds content for more exciting pictures.
We are constantly on the lookout for features and specials to help you Realize Your Picture Potential. Whether it is monthly contests and promotions, or various themed specials to challenge you to take certain types of pictures, we can help make sure your pictures capture all the fun you see through the lens.

Capture: Because Life Is Too Exciting To Let You Pass It By!

Source: Aaker, Fournier and Brasel (2004, JCR)
Study timeline

Day 1

survey 1

Transgression

survey 2

Recovery

survey 3

Day 60

interaction

Source: Aaker, Fournier and Brasel (2004, JCR)
How relationships develop

SINCERE BRAND PERSONALITY

Source: Aaker, Fournier and Brasel (2004, JCR)
How relationships develop

Source: Aaker, Fournier and Brasel (2004, JCR)
Sincere vs. exciting

Deepening connections
Intense, long-term
Heightened expectations

SINCERE

Fading connections
Fling-like
Expectations = flexible, easygoing

EXCITING

Source: Aaker, Fournier and Brasel (2004, JCR)
When mistakes happen

Absence of Transgression

Presence of Transgression

Source: Aaker, Fournier and Brasel (2004, JCR)
When mistakes happen

Absence of Transgression

Presence of Transgression

Source: Aaker, Fournier and Brasel (2004, JCR)
Rethinking transgressions

**SINCERE**
Transgression makes partner quality assumptions salient
“I thought you knew and respected me”

Provides contrary evidence of those assumptions

**EXCITING**
Transgression makes relationship salient

Allows the establishment of partner quality
“I didn’t expect this of you”

In brand personality determine what in fact was a transgression and illuminate how to apologize and recover gracefully
Brand relationships

Socioemotional Rewards

- best friend
- husband and wife
- close friends
- father
- teammates

Utilitarian & Functional Rewards

- master and servant
- business partners
- business rivals

Superficial & Weak

- casual acquaintances
- compartmentalized friendships
- childhood buddies

Intense & Strong

- best friend
- husband and wife
- close friends
- father
- teammates

Source: Fournier 1998
How to recover gracefully

Listen  Apologize  Respond

Source: Fournier and Deighton 2003
Mistakes don’t always hurt; it depends on how you recover.

- Renegotiate Contract: Distancing
- Transgression
- Relationship Maintenance
- Relationship Initiation
- Renegotiate Contract: Intimacy

Source: Fournier and Deighton 2003
what is the personality of Blue Bottle?
what would be a transgression?
how might you apologize?
To recap...

**BUILD**
Build from inside out. When employees are passionate about the brand and embody it, the offerings and customers will follow.

**FOCUS**
Focus on relationships and needs. This is where true value resides.

**LISTEN**
Listen actively. Get to know your customers intimately. Speak less, listen more.

**RECOVER**
Recover gracefully. One misstep doesn’t mean it’s over. Relationships are often even stronger after navigating mistakes.
Blue Bottle Coffee today

3 lines of business

4 geographies

22 cafes

450 team members

1.5M pounds of coffee
Our leadership team

James Freeman
Founder and CEO

Bryan Meehan
Executive Chairman

David Bowman
Operations and Finance

Fresh and Wild (Whole Foods)
Nude Skincare (LVMH)
The Boston Consulting Group
In 2002, we began serving coffee at Farmers Markets in the Bay Area
And three years later, opened our first permanent cafe, a kiosk in San Francisco’s Hayes Valley
We’ve grown quite a lot since then, with operations now in the Bay Area, Los Angeles, New York City and Tokyo

Bay Area
- Ferry Building
- Hayes Valley
- Heath
- Market Square
- Mint Plaza
- Palo Alto
- Sansome
- WC Morse
- Webster Street

Los Angeles
- Abbot Kinney
- Arts District
- Beverly Grove
- Echo Park

New York City
- Berry Street
- Bryant Park
- Chelsea
- Dean Street
- Hell’s Kitchen
- High Line
- Rockefeller Center

Tokyo
- Aoyama
- Kiyosumi
Three values continue to guide us…

Deliciousness  Hospitality  Sustainability
…toward one simple purpose

We are united by the simple purpose of getting great coffee to everyone who asks for it.

James Freeman, 2002
Coffee is a massive global market

- Habitual, high-frequency
- 83% of Americans drink coffee
- Average of 3 cups per day

Note: Market sizes are estimates only; specialty coffee shops defined as businesses deriving 55% or more of total revenue from the sale of coffee, coffee beverages, and coffee accessories.

Source: Specialty Coffee Association of America (Dec 2014); USDA
Specialty coffee market growing rapidly

- 1 of every 2 coffee cups consumed
- Specialty coffee customers have nearly tripled to ~35% since 2003
- 70% increase in specialty coffee cafes since 2003 (to ~30K today)

Note: Growth rates and market statistics are estimates only; specialty coffee shops defined as businesses deriving 55% or more of total revenue from the sale of coffee, coffee beverages, and coffee accessories; specialty coffee drinkers defined as % of adults who consume specialty coffee daily

Source: Specialty Coffee Association of America (Dec 2014); Wall Street Research
Starbucks transformed the industry over last 30 years

Market cap:
- $25B
- ~$88B

US specialty coffee
- 2014
  - $25B+
  - $17B+
  - $8B¹

Starbucks stores (Global²)
- 1988: 26
- 2004: 9,000
- 2014: 23,000

¹ Represents Starbucks’ estimated CY 2014 Americas Beverage revenue
² Includes company-owned and licensed stores

Source: FactSet and company filings
What we care about
What we care about
What we care about
What we care about
What we care about
What we care about
What we care about
A few amazing team members here today

Shawna Sharie
Retail Operations

Arion Paylo
Retail Design and Development

Neil Day
Digital | Technologies

Alexandra Chan
Retail | Northern California

Conner Burns
Retail | Palo Alto

Tim Shi
Digital | Omnichannel
“If a little dreaming is dangerous, the cure for it is not to dream less, but to dream more, to dream all the time.”

*Marcel Proust*
stakeholder interviews and team lab
Fieldwork!