

# THE ACCIDENTAL BRAND-BUILDER IN YOU

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**H**ow do they do it? How do ordinary people create huge, valuable consumer brands? And more importantly, how do you know if you can be one of them? Let's start out with some cold, hard truth. All the entrepreneurs that I write about in this book, along with the dozens of others whose stories I reviewed to narrow the list down, were very, very lucky. Luck in and of itself would not have built businesses for them; there was also lots of sweat and planning and some great decision-making. But without luck, and especially good timing, there is a chance some of these folks would not have created huge businesses. Consider that a scientific study claiming that exposure to Mozart would make babies smarter came out a few weeks after the Baby Mozart video shipped—did this spur Baby Einstein's success? Hard to say. Would Burt's Bees have been as successful if it had not caught the wind of the environmental movement in its sails? We will never know.

On the other hand, it is hard to imagine that these accidental entrepreneurs would not have been successful even without the luck

that made them hyper-successful. Several of them have proven it in their subsequent work. Gary Erickson now runs a successful wine business in addition to ClifBar. After Julie Clark sold Baby Einstein to Disney, she created The Safe Side with *America's Most Wanted* host John Walsh and was honored in the State of the Union address for her contributions to child safety. Roxanne Quimby will very likely become the best-known philanthropist in the history of the state of Maine, not because of her resources, but because she has brought her business acumen to land acquisition; just three years after selling Burt's Bees, she had put together the second-largest tract of environmentally protected land in the state.

So even if you are not lucky enough to put up your sail at the moment the winds of fortune are blowing, these entrepreneurs might just teach you something. The good news is that it's not about how rich your family is or how great a college you attended. There are no Ivy Leaguers in this book. Several of the entrepreneurs did not even graduate from college. You also don't need rich backers, provided you're willing to live hand-to-mouth while you are building the business. Gert Boyle almost lost her house and her mother's house when she took over Columbia Sportswear. Gary Erickson lived in a garage when he created ClifBar because he couldn't afford more than \$300 a month in rent. Eric Malka sold his car to pay for the first The Art of Shaving store. Roxanne Quimby was living in a tent in Maine with her twins when she sold her first jar of honey.

### **RULE #1 – DO SWEAT THE SMALL STUFF**

When I was a brand manager, I learned that the key to success in a corporation was to keep things moving and not to sweat the small

stuff. Of course, when working on packaging or advertising, we were all supposed to be very careful, but outside of these big issues, our goal was to get things done on time. Perfectionists had a very difficult time in this environment.

Successful accidental brands are built just the opposite way. Every single person I interviewed for this book is a perfectionist. These entrepreneurs don't just pay attention to the big stuff; they obsessively sweat every detail. In fact, one of them was kind enough to correct punctuation in the chapter on his brand. Another sent me 14 pages of comments on his chapter—more than my editor. Interviewing their colleagues and coworkers, I hear much the same thing. Every piece of written communication that comes from the brand is scrutinized—whether it is a training manual, a flyer, or a new product announcement.

I learned from these entrepreneurs that it is just this attention to detail that makes these brands authentic. As consumers, we cue off very small things when we are interacting with brands. If I buy a new food processor, for instance, I don't just notice how well it shreds carrots or purees tomatoes. I want to see if it is easy to pour those pureed tomatoes from the work bowl of the food processor into a mixing bowl without spilling them. Then I will notice whether it's easy to clean the machine without getting the motor wet and whether I can stick that work bowl into my dishwasher. All of these small clues tell me if a serious cook designed the machine. If I have a problem, I expect to talk to someone who has actually used the food processor. This way I know that the machine I bought is not just a random product that the brand makes. I know they're experts.

Attention to detail is the best way to show consumers that you are an expert in your category. Walk into an American Girl store, for

instance, and you'll see a company that gets all of the details right. They understand how girls interact with dolls, and they've created an obsessively consistent environment. Disney does the same thing at its theme parks and resorts. You'll see horses in the parades at Disney World, but you will never see any horse droppings. Why? Because Disney realizes that they're creating a fantasy world and that horses don't make a mess in a fantasy world. A lot of work goes into getting those small details right. Disney has networks of tunnels running under all of its properties so the guy with the shovel can inconspicuously disappear after he has—ahem—made the mess go away. Apple is another great example of a corporation that has learned to sweat the details. The iMac I am using to write this book has its entire case sheathed in a transparent layer of Lucite. Achieving this effect required creating a new manufacturing process and added expense. Apple (led by Steven Jobs, who is himself an accidental brand builder) could have easily saved cost and complexity by eliminating this design feature. Instead, they forged ahead because they wanted a product that was brilliantly designed down to the last detail. Look at an iPod next to any other MP3 music player and you'll see the difference in philosophy.

These last few examples are the exception among big corporations, but they're the norm for accidental brands. When Gary Erickson's company ClifBar launched Luna, Gary himself went into the baking kitchen to perfect the recipes for the new bars. John Peterman created catalogs that were so beautifully written and designed that the *New York Times* called him a "merchant poet." If you order from the J. Peterman catalog today, every single customer service rep is sitting no more than five steps away from the garment you might buy. J. Peterman reps can tell you exactly how each item is constructed because they've not only been trained on them but can hold the

garment in their hands while they talk to you. Roxanne Quimby learned to keep bees, hand-dip candles, and formulate lip balm by hand before she sold the first jar.

The lesson here is simple. *Do* sweat the small stuff. Make sure you understand every way a consumer will interact with your brand, and choreograph all of those interactions. Don't compromise on a single element just to save cost, because the game you're really in is trying to get your consumers to reward you with a high profit margin. That's infinitely better than competing with other brands on price.

I must insert one cautionary note at this point. There is a big difference between being very detail-oriented and being a micromanager. If you plan to sell your company before it reaches 10 employees, as Julie Clark did, you may be able to personally approve everything that goes out the front door. If your brand grows larger, however, you will have to delegate. The key to successful delegation is picking people who are just as detail oriented as you are and training them to see things as you do. You have to give them your eye and pass along the DNA of the brand. Just like you, they should be actual consumers of the brand—they should experience the problem your brand solves, whether that is terribly chapped lips, a craving for a healthy snack, or the need to find a used trombone. If you don't do this, you'll find that it is terribly difficult to keep employees, because very few people like working for micromanagers. The best proof that the accidental brand builders in this book are not micromanagers is the high number of employees who stay to work with them in subsequent ventures. Both Roxanne Quimby and Julie Clark have new businesses exclusively run by former employees of their original companies. John Peterman was able to get employees back to the second version of a company that had gone *bankrupt*. That kind of loyalty can only be earned with good management.

## RULE #2 – PICK A FIGHT

All of these accidental brands succeeded because they did more than create “me-too” products. They offered something genuinely new. In doing so, they took a stand against something—whether that was another brand or another way of doing things. Defining the “other,” as Douglas Atkin calls it, or the ideology that the brand passionately disagrees with, helps define the brand. It also creates a strong creed that consumers can subscribe to. Creating a clearly stated value system is a key ingredient in building a loyal consumer base for a brand. Atkin uses the example of Apple and how it first demonized IBM (the famous “1984” commercial is a great example of this) and later Microsoft.

Every accidental brand in this book picked a fight with somebody. John Peterman launched a catalog with just one item on a page, no photography and florid descriptions of the products he sold. His brand, J. Peterman, took a strong stance against the crass utilitarianism of the rest of the catalog industry. Peterman understood that buying by mail order is a form of delayed gratification. J. Peterman substituted delirious anticipation for instant gratification and, in so doing, demonstrated that the former was the more precious commodity

Craig Newmark brought democracy to classified ads. He allowed people to exchange things with each other for free, only adding features that his users demanded. Even when it became clear that Craig could make a huge amount of money by running advertising on craigslist, he did not do so. And he limited fees to just two items: job listings and real estate ads. In both cases, craigslist fees were much lower than competing options. The site became one of the 10 largest on the Internet because it followed his simple but revolutionary philosophy: “Give people a break.” For Craig, this meant making the site

easy to use and making it free. By standing against the commercialization of exchange, Craig attracted loyal users.

Gary Erickson did not believe that an energy bar had to taste bad to work. While other bicyclists were thinking of the compact bars as “fuel,” ClifBar aggressively created mobile food—bars that actually tasted good. Along the way, he realized that the whole foods he made the bars with were healthier too. Myriam Zaoui and Eric Malka allowed men to care for their skin without being feminized. They rejected the metrosexual movement while still advancing its aims. By bringing tradition to their The Art of Shaving stores in the form of dark woods, classic packaging, and barber chairs, they swam in a different direction from the rest of the industry, much to their good fortune.

Julie Aigner Clark created an unpolished, unslick video for babies. She rejected every convention of video production as well as every rule of selling to parents. Instead, Baby Einstein looked like a handcrafted work of art. Mothers could watch a video lovingly made by another mother, featuring her own children. The anti-corporate feeling of the video made the product special.

Gert Boyle rejected the conventional wisdom that outerwear companies had to either sell very expensive innovative products or cheap knockoffs. She used her legendary thriftiness and her willingness to engage customers directly to craft a product line that was tough, innovative, and inexpensive.

Roxanne Quimby didn’t think that personal-care items needed to be made with chemicals and artificial ingredients to be effective. From lip balm to shampoo, she set out to prove that nature could coexist with industry. Every Burt’s Bees product is the repudiation of most of the established brands that existed when Quimby launched her company.

Putting a stake in the ground and being willing to say, “I am right and those other brands are wrong” is also a good test for you. It will tell you if you have the passion you will need to create a great brand. Large corporations are very risk adverse, which is why you see so many variations of the same product on supermarket shelves. Do we really need 22 flavors of toothpaste or 14 kinds of dishwasher detergent? No, but that’s what we get when the perceived risk of launching completely new brands is so high. Accidental brands take real risk by going against the status quo, but they reap rewards for doing so. They attract like-minded consumers who are loyal to the brand and willing to pay a premium for it.

### **RULE #3 – BE YOUR OWN CUSTOMER**

Perhaps the biggest difference between accidental brand entrepreneurs and corporate marketers is that successful entrepreneurs are their own products’ consumers. As a brand manager for Johnson & Johnson, I spent nearly half a decade working on feminine hygiene and personal care items. In that time, I never used a single brand that I was assigned to, not even the brand that I launched from scratch. The reasoning behind having me, a man, working on products used exclusively by women was that I could look at quantitative research to understand consumer opinions and listen to focus groups to understand their language. But when it came right down to it, I just didn’t think like a woman. My reactions to choice were very different.

Accidental brands are almost always created when people solve their own problems. Julie Clark couldn’t find a video she liked for her first baby, so she created one for her second child. Gary Erickson couldn’t eat another PowerBar, so he created a bar that he could keep eating. John Peterman sold the coat he bought, wore and loved; then

he sold other things he liked just as well. Solving your own problem makes you infinitely better at sweating the details, too. In fact, it is very hard to single out the important details of a product, its packaging, or its customer service unless you use it.

There is a final reason to be your own consumer: it gives you a better chance of finding the real business you should be in. Roxanne Quimby started out selling jars of honey and hand-dipped candles, but Burt's Bees didn't blossom until she created lip balm. Luna turned out to be a bigger business for ClifBar than the ClifBar itself. And Columbia Sportswear had to move all the way from selling formal hats to ski parkas before it found its niche. But one thing didn't change for any of these companies: the customer. Each brand had a clear philosophy shared by the core customers. Even if the first product they produced didn't turn out to be the "big idea," they were able to identify that idea when it came along, because they listened to their core customers.

#### **RULE #4 – BE UNNATURALLY PERSISTENT**

Most of the brands in this book took between 10 and 20 years to reach the \$20 million mark. The first few years were often exceptionally, excruciatingly slow. John Peterman told me that there came a point where he considered getting out of J. Peterman—the same point he had folded up shop on a few earlier ventures. The business just didn't seem to be meeting his expectations at that moment. But because of his obligations to employees, customers, and creditors, Peterman was unable to quit. Only after he got through this period did he see the business jump ahead.

Seth Godin does a great job explaining this phenomenon in his book, *The Dip*. Of course, the real trick of surviving "The Dip" is

not just identifying that your business has dipped, or even having the patience and persistence to keep going. The trick is to know *when* to keep going. I agree with Seth that you have to figure out if what you're doing is something you are good at, whether it makes sense for your customer, and whether you have the passion to sustain your effort. Unless you are extraordinarily lucky, though, your path to success will start slowly and involve a period of significant questioning and self-examination.

### **RULE #5 – BUILD A MYTH**

I cannot overemphasize the importance of your founding myth to the success of your brand. Remember that consumers look for expertise, authenticity, and consistency in brands. I may only be hiking on a flat trail in the woods, but I want the same shoes that the best hikers wear on the John Muir or Appalachian trails. I'm more likely to believe this if I hear a story about a crazy hiker who designed her own shoes that all the other hikers started wearing because she never slipped.

The trick in building your founding myth is selecting the facts that you want to tell and deciding how best to share them. The word "mythology" comes from two Greek roots: *mythos*, meaning a narrative, and *logos*, meaning a speech or argument. Creating the mythology for your brand means that you have to understand both the narrative and how it will be spoken and shared. This is not as simple as it sounds. For instance, Myriam Zaoui and Eric Malka decided to found The Art of Shaving for several different reasons. When she lived in France, Myriam had always wanted to have her own spa. Eric and Myriam had agreed to open a little retail shop in Manhattan together. And Myriam had created pre-shave oil for Eric that allowed him to shave more comfortably without getting razor

burn. All three narratives about The Art of Shaving are true. But the third creates a much more shareable story. Thus, when the company printed its own pamphlets, they told the story of Myriam creating the preshave oil for Eric and made it the company's founding myth. This is also the story you'll hear if you talk to their employees.

John Peterman also understood this. When he founded J. Peterman, he had been looking for an entrepreneurial win. He thought he could make some money by selling a coat that he was wearing that had drawn some compliments. But he had bought the coat because he thought it expressed his personality better than a trench coat did. By telling the last narrative eloquently, Peterman created a mythology around the coat that made him a mythic character. Peterman was careful to draw out that myth in his catalog and extend the mystery that it created. J. Peterman was so successful at creating a mythology that people would read the catalog for the stories it told.

You may not have a romantic founding story, but if you're an entrepreneur solving your own problem, you do have a story. By crafting this story carefully, you will make a better case for your business than any presentation or advertisement possibly could. You will know that your myth is a good one if it comes back to you from consumers.

### **RULE #6 – BE FAITHFUL**

I grew up hearing the phrase “stick with the one that brought you to the dance” and thinking it was really about dancing (which caused some problems later). It makes good sense. Every day, I see brands get into trouble because they forget about the consumers that made them great. When a skateboarding brand stops supplying specialty products to skate shops so it can sell a few models in bigger numbers at chain stores, they have abandoned their core consumers. When an

airline known for wide seats and great customer service starts charging for food and narrows those seats to “compete,” I cringe. Why? Not because doing those things would always be bad in itself, but because it is a sign that the companies are just trying to grow revenue and have forgotten what made them special.

Every time Volvo forgets safety and decides to talk about how sexy, sleek, or sporty Volvos are, they walk away from the nervous parents who want the safest car for their kids—the parents that built the Volvo brand in the United States. When Wal-Mart has a runway show and starts advertising fashion apparel in *Glamour* magazine, they abandon the working families on which they built their business. When Orville Redenbacher comes back from the dead to promote his popcorn to hip kids, the brand betrays the consumers who remembered the real guy earnestly pitching better popcorn on television.

What does this mean for you? Figure out who really supports you and keep listening to them. Don’t be distracted by all of the other people who end up coming along for the ride as you become more successful. All of your success is based on the appeal that you established with their core consumers. When Phil Knight was selling shoes he designed with his track coach out of the trunk of his car, serious runners worshipped him. Now that Nike is a multibillion-dollar brand, it still listens to those serious runners, even though they are a tiny, tiny fraction of the brand sales. Why? Because Nike understands that the rest of us admire shoes that those serious runners wear because they’re the best. (Notice that I did not say “professional runners” here—there’s a difference.)

If you *are* the core customer, this task will be simpler for you. You just need to stay connected to the values that got you to start your business in the first place. Were you an overstressed road warrior? Make sure you still hang out with them. A corporate drone? Have a few

over to dinner every week. Whatever it takes, be faithful to those people who made your brand great. If you don't, you will certainly regret it.

## PUTTING IT ALL TOGETHER

I do not want to pretend that following these six simple rules will make you rich or guarantee the success of your next brand. But it is important to recognize that not all of these rules are today's conventional wisdom. I have sat in innumerable boardrooms and heard the phrase "We are limiting ourselves" or "We are giving away half of the market." Many businesspeople believe that if a product does not instantly appeal to everyone it is doomed to fail. Ignore them. Focus on creating a business that superbly meets the needs of a very few people. You'll know that you have succeeded when you have delighted, raving fans. That's the kind of base that Starbucks built—and the reason it was able to grow to the size it is now almost entirely without advertising.

Sweating the details is not conventional wisdom, either, and you are going to get a lot of resistance along the path. "Don't worry about whether it looks pretty—focus on whether it works," "Just keep perspective—everything is not advertising," and "Let's stay big-picture here" are all phrases that can kill your brand. A brilliant consumer experience—whether you are selling a product or a service (and, frankly, whether you are selling to consumers or to other businesses) is one where every step has been thought out to the last detail. It turns out that until you reach the last detail, consumers are just satisfied. When you actually nail the last detail they become loyal. Loyalty is your goal.

The last and hardest bit of unconventional wisdom to follow is to be persistent. In large corporations, brands have months to succeed.

A major launch can fail within the span of a calendar year. At one corporation I worked for, I was actually required to launch a new product at breakeven in the first year. I was successful, but I was lucky. If you follow the short-term approach, you won't be successful. For one thing, few of us (and even few corporations) have \$100 million or more to invest in a new product launch, and that's the kind of money you need to ensure that *everyone* will hear about your product.

Frankly, that kind of business-building is not very satisfying either. For one thing, you can never afford to fail. Gary Erickson at ClifBar told me that the greatest single lesson he had learned in launching new products was to do it quickly and cheaply enough that he could afford to fail and keep innovating. Having the patience and persistence to keep launching new products after a big failure is what separates Gary from his corporate competitors.

It is very difficult for me to say this, but many people who follow this advice on persistence will nevertheless fail. Your business may have the wrong business model or cost structure, you might never really connect with your customers, or you might suffer a cash crisis or just have bad market timing. And being persistent will make these failures longer and more painful. But the possibility of success comes only through persistence. I once worked on a brand that had about 8 percent share nationally but over 30 percent share in Denver. "Why Denver?" I asked. It turns out that the brand had been launched with Denver as a test market. In Denver, the brand did all kinds of things from sampling to educational events to advertising in order to promote the brand. Initially, none of these activities paid out (produced a positive return on investment in the year they were run), and the brand was launched with a much smaller relative effort on a national level. But over 20 years later, the investment in Denver

had proven to be the smart one. It is just that the brand didn't have patience to learn the right lesson.

Keep these rules in mind as you read the case studies ahead. I think you'll see that building your own brand can be a rewarding journey. And while you're on the way, make sure to patronize that little store in your neighborhood—you know, the one that everyone raves about but you've been hesitant to buy from because it's just a little more expensive than the big chain down the road?

