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**RETHINKING
PRESTIGE
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SECRETS OF
THE UEBER
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EXTRACTS & ABSTRACTS

RETHINKING PRESTIGE BRANDING: SECRETS OF THE UEBER BRANDS



BY

JP KUEHLWEIN AND
WOLFGANG SCHAEFER

Rethinking Prestige Branding: Secrets of the Ueber Brands shares the secrets and principles that drive desire and sustained business growth of some of the most powerful premium-priced brands on the planet.

How did Cirque Du Soleil or Grey Goose make their products so desirable—to the point of making consumers forget about their premium price? Cirque broke all conventions of the circus category (think animals and clowns). Vodka was known for not having a taste, yet Grey Goose credentialled a gourmet vodka...from France! What does Gucci's approach to marketing have in common with Nespresso's? And why do we pay a small fortune for Renova toilet paper, Apple devices or a detergent by Aesop, The Laundress or Yuan that seem to have none of the functional superiority that conventional marketers would pitch to stand out in largely commoditized categories?

These are some of the questions that branding experts Wolfgang Schaefer and JP Kuehlwein have researched over the past years, talking to an uncounted number of practitioners, academics and consumers alike and analyzing well over 100 brand successes and failures in the premium-priced brand arena. They have summarized their findings in a new book, *Rethinking Prestige Branding*.

Their answer: Today, prestige is accrued in many more ways than it used to be. The marketing rules of premium branding are in flux and flourishing across all tiers and categories, from a \$2 energy drink to multi-million dollar jewelry. Classic notions

are reshuffled, and prestige branding is being slowly but unmistakably re-defined: it is less traditional through pricing-up and celebrating yourself as rarified, but evoking pride and aspiration through ideals and ideas wrapped in mythical storytelling; less classical by building exclusivity through restraint and scarcity, but infusing these with inclusivity and ubiquity; and less marketing manipulated, but more truth-minded, living brand-specific convictions inside out rather than making-believe with thin veneers of gold plating.

Welcome to the age of ueber brands—an emerging breed of modern prestige brands that are above and beyond their competition not only in standing and making their price premium an after-thought, but in courage and conviction. They thrive on paradoxes, breaking with long-held traditions and inspiring us with commercialization strategies that set new standards and lead the way into a new kind of marketing for the new millennium.

In their book, JP Kuehlwein and Wolfgang Schaefer dissect the essential components of this new way of marketing to help readers understand how to apply ueber-branding to their own brands. Ueber brands speak to a psychological or sociological need in our times. They create communities with highly engaged

members who identify and interact with the brand. As a result, influencers, users and employees help to create and fuel something bigger than what the business could ever create by itself.

As the concept and context of prestige are changing, it is not uncommon to find items that were once considered premium at stores or in categories you would not have expected them before (think Missoni at Target or water priced at \$15/bottle). Luxury brands are also becoming more accessible by reaching down. On the other hand, consumers are rethinking consumption. Rather than owning "stuff," they curate a portfolio of experiences and items that express who they are and what they stand for.

Technology is also changing how premium brands go to market and how we experience them. Exclusivity is no longer the principle or preserve of the prestige brand. Consumers are looking for interaction and for brands to do right by them and their world. This presents a challenge as well as an opportunity to brands to reach mythical status beyond what is physical and logical.

One key take-away from *Rethinking Prestige Branding* is the emphasis on the whole brand experience, not just aspects of your brand. If your brand is looking to modernize a staid prestige image or to trade up in a category that is ripe for or already witnessing premiumization (think craft beers, chocolates, glasses, boutique hotels, airlines, etc.), then this book is for you!

THE FOLLOWING IS AN EXCERPT FROM THE BOOK.



Behold! So Much More Than Coffee in a Pod

With Nespresso everything revolves around the product. From its name to the unique form of delivery to its communication, the brand succeeds in making its coffee perceived as the holy grail, creating a product experience, language, rituals and visual identity—literally a code(x)—that makes it unmistakable. An inimitable cup of coffee that is always fresh—in every sense of the word.

The true magic, however, happens when the precious coffees, encapsulated in their mysteriously potent pods, are extracted by the proprietary machines. It is an intricately designed, sensorial experience that involves a muted purr, a room filling with coffee aroma and a distinctive 'crema' forming on top of the small espresso potion. Nespresso celebrates this crowning finish in many of its communications by using glass cups that let the thick froth show through.

Such drama lets the rest of us sip with awe from our little Nespresso cups: cups that are of course also designed for an unmistakable look, just like the pods and machines. The machines almost blur the lines between art and object. The outward simplicity belies a complex micro-chip-guided process that includes grain-adjusted pre-wetting and aeration before extraction. It makes the tech-inclined owners rave and others salivate at the sight of the sensual curves...And just like a high-performance car, there are tiers of machines, from the small, youthful Pixie model, all the way to limited-edition machines designed in collaboration with Shanghai Tang or the 'Racepresso,' a concept machine only, built in the shape of an F1 helmet with Ferrari. There are also a plethora of unique accessories to help credential the pods, serve the coffee and even to carry the pods away to recycling, all in the recognizable, post-modernist Nespresso design and with suggestive names like the 'Bonbonniere' and 'Totem' pod holders or the 'Aeroccino' milk frother. On a business level, they serve to ensure households are stocked and to generate incremental sales, but they also make serving the pods look precious and support a habit-forming ritual. The

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popular Nespresso serving tray for example encases each of the colourful pods like chocolate pralines and showcases to guests the sophistication of the host—provided they have purchased enough varieties.

To keep the icon always fresh, new flavours or machine designs are released at regular intervals, with the kind of hoopla Apple is famous for. And they are greeted with similar enthusiasm. The 'Citiz' machine, for example, was unveiled at the Maison & Objet trade fair in Paris, and social media-induced queues were reported outside Nespresso boutiques where the machines were sold exclusively during the launch.

Mission and Myth—Inspiring Consumers as Well as Marketers

If Nespresso was an ordinary brand, its mission might simply be described as 'enabling consumers to make an excellent cup of coffee'. But the brand wants more than this. It's elevating coffee to something to be prized and enjoyed, a moment of sophistication and cultural elevation, a spark of la dolce vita or savoir vivre. The Ueber-Mission is thus more something like 'allowing us to bring out and enjoy our inner gourmet', similar to when coffee was first introduced to Europe in the 17th century and became the drink of the rich, noble and cultured classes. The important distinction now, though, is that Nespresso's system really makes it possible for anyone to become such a coffee connoisseur. It gives the time-crunched modern lifestyle masters bragging rights to serving-up a perfect 'Kennedy' (three shots of the long roasted 'Dharkan' blend of washed Arabicas) with ease and elegance—if they are willing to pay the premium.



BIO

Wolfgang Schaefer is Chief Strategic Officer at SelectNY, one of the world's leading premium brand building networks. He has been building global brand strategies for more than 20 years in Europe, the U.S. and Asia-Pacific for companies as diverse as PepsiCo, P&G, Unilever, Coty and Nestle. His main expertise lies in prestige brands such as Davidoff, Chopard, Swarovski, and Lancaster, among many others. Holding an MA from the University of the Arts Berlin, Schaefer is co-located between New York City and Berlin and is a frequent lecturer at universities and conferences in the U.S. as well as Europe.



BIO

JP Kuehlwein is Executive Vice President at Frédéric Fekkai, a New York-based prestige salon operator and hair care brand and an Outside Director of Smith & Norbu, a luxury optical frame maker in Hong Kong. He draws on more than 20 years of hands-on experience in managing brands at Procter & Gamble across markets in Europe, North America and Asia. He holds degrees in international management and business analysis from the universities of Reutlingen (Germany), Reims (France), and Lancaster (U.K.) and enjoys sharing his business and branding insights with students and marketers around the globe.