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ADDED value ideas through people, places and things

The Power of Cult Branding

Most businesses focus primarily on generating the next transaction, with customer loyalty perceived as something unattainable. But if you're battling for the next transaction, you're destined to lose. Customers who choose a product or service based on price will move to the next product or service for the same reason.

Cult Branding Defined

A rare few businesses go a monumental step further. A cult brand is born when consumers rally around a brand's lifestyle. Psychiatrist Carl Jung called it the participation mystique. These brands spark a magical participation with their customers; they embrace a certain way of being, aligned to a specific set of beliefs.

Further, cult brands inspire what psychologist Abraham Maslow called B-values—those that inspire humans to grow and reach their potential. Few authentic cult brands grace the business world, but you know who they are because their customers make sure you do: Apple, Harley-Davidson, *Oprah*, Ikea, *Star Trek*, etc.

A decade of research and study of cult brands shows that great brands don't happen by accident. Unequivocal customer loyalty—to be chosen again and again by a core group of customers who refuse to shop at your competitors—takes conscious effort.

Embracing Your Brand Lovers

Cult brands don't just foster casual relationships with consumers, they find ways to play an integral part in their lives. These brands are bold and courageous, and the consumers who love these brands probably do so for reasons they don't fully understand. A small legion of brand lovers will do more for the growth and sustainability of your business than all the transactional customers in the world.

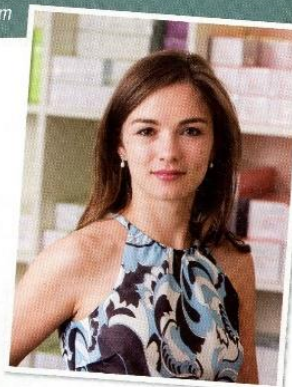
Research shows that Pareto's Law (the 80/20 principle) holds; a small percentage of customers can drive more than 80% of profitability. It costs five times more to acquire a new customer than keep an old one. Most importantly, the consumers who love the brand the most spread the word and create new customers for you (just ask anyone who owns an Apple product).

It is unlikely that all your customers contribute equally to your profits, but there are certain consumers who choose your brand more often, and these are the lifeblood of your business. Listen to their feedback and suggestions, reward your best customers and continue to devise new ways that show you listen and that you appreciate them.

Cult brand expert Bolivar J. (B.J.) Bueno and strategic coach Scott Jeffrey are managing partners at The Cult Branding Company www.cultbranding.com, a brand loyalty consultancy whose clients include Kohl's Department Stores, LA Lakers and Turner Classic Movies. They have authored books on the power of cult branding and how to uncover the source of creativity and harness it for greater personal and business success.

Q&A FOCAL POINT

Ada Polla, President and CEO, Alchimie Forever
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■ *How do you merge art and science in your life?*

I love contemporary art and collect it avidly. The science in my life comes from interacting daily with our product development specialists, learning about ingredients, formulations and skin. One day, if there is time, I would love to go back to school for pharmacology.

■ *What favorite art pieces do you own?*

In my office, I have a painting of the word alchemy by Jessica Diamond, who is known for her wall paintings. In my living room, I have a diptych by my friend and fellow Harvard graduate—and now famous artist—Matt Saunders, depicting a woman looking at herself in the mirror. Those two oil paintings incorporate diamond glitter in them.

■ *What personal care products can't you live without?*

Today the answer would be our Yttrium morning cream, *Jicky* perfume by Guerlain that I have been using since I was 15, and Nars' bright red Dragon Girl lip pencil.

■ *How do you relieve stress?*

Champagne and work—in that order!

■ *What is your favorite destination?*

I am in love with New Orleans. I have learned to rediscover the city since Hurricane Katrina, and I love thinking that by spending time there I am giving local businesses my patronage and contributing to the city's economy.

■ *If it were mandatory karaoke night, what would you sing?*

Right now my theme song is Kanye West's *Stronger*. It is such a feel-good, pump-me-up song, and I can't help but sing along to lyrics like, "whatever doesn't kill me only makes me stronger."

■ *What's your next project?*

The most exciting project right now is to prepare our launch in Sephora in Thailand, Malaysia and Singapore.

GCI Online Read about Ada Polla's international business views in the December issue on www.GCI magazine.com.