KLAUS FOG CHRISTIAN BUDTZ PHILIP MUNCH STEPHEN BLANCHETTE



Branding in Practice

2nd Edition



Klaus Fog · Christian Budtz Philip Munch · Stephen Blanchette

Storytelling

Branding in Practice

Second Edition



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Foreword

Today's world is overflowing with fancy buzzwords. The vast majority of them, however, refer to short-lived phenomena that have been invented for the sole purpose of selling hot air. They are gone as quickly as they arrived. Others are a product of the times, but have deeper roots. They touch upon something familiar, but contribute to a new consciousness, and take a firm hold in our future vocabulary. *Storytelling* is one of them.

SIGMA is a holistic communication specialist based in Copenhagen, Denmark. We have been helping international companies build their brands by finding their unique story since 1996. At that time, it was called PR, communication, advertising or marketing. Today the lines dividing those categories have blurred. As a culture and brand bureau our job is really to make the life core of a company visible—to expose their heart and unique culture. A company's culture is their reason for existing and shows the direction for the future. When it comes to making that culture visible, nothing is stronger than the ancient art of storytelling.

Based on our experience with business strategies the effect of storytelling can be surprising. Good examples of this can be found in the book's 10 new cases.

When we wrote this book several years ago, the "core story" was a term that closed the gap between identity and image, between what an organisation is and stands for and how it is perceived from the outside world. There must be balance between identity and image for the company to enter a dialogue and interact with the market it is a part of. In this sense, the core story is attached to branding and marketing as a tool for creating an understanding of the company internally and externally. In other words, a story describes the core of the company.

Ever since the first version of this book came out in 2004, we have expanded our perception of the term storytelling and the value of the core story. Our long journey into the storytelling universe has taught us that the core story in itself—and the authentic stories that support it—has a far greater potential that goes beyond the borders of branding and marketing.

We have come to realise that the authentic core story demystifies the company culture and makes it tangible and visible. What used to be complex suddenly becomes simple and achievable across functional areas and markets. The core story allows you to translate the company culture to the departments, products, services and so on in a way that is authentically founded, downwards and upwards, inside and out.

As many know, a strong corporate culture cannot be bought. The only way to achieve a strong culture and a strong brand is to develop your company culture and then make it visible. In this respect, storytelling is an indispensable tool for activating and making the company's DNA visible and creating a shared direction. Authentic stories are tools for your company's business strategy—without a strong company culture you will not succeed in achieving a solid and credible brand.

Especially in times of economic strife, it is important for businesses to show how and why they make a difference. We see that more fickle "currency" may decrease in value from one day to another; however, certain behaviours and cultures create lasting value. Thus, the visibility of a unique company culture—internally as well as externally— is worth much more than dollars and cents. Today difference is the basis of all companies. In a turbulent and globalized reality the challenge is to make the corporate culture coherent. Within the bigger transnational companies people from different cultures with different expectations and attitudes are hired. If they must acquire a sense of being a part of a common set of values they need to be shown what kind of culture they enter as a part of your company.

We have discovered that the core story actually activates and develops the company culture, because it's the authentic stories from everyday life in the business that explain the culture and make visible for the employees what they are a part of. It is all about creating a certain attitude and behaviour in the organisation, and this is where the core story plays an integral part.

The tool may also be used when new strategies are to be implemented. Experience has shown us that a strong company culture is what makes the corporate strategies possible in the long run. Studies have shown that there is a clear connection between financial results, a strong company culture, and the corporate strategy. If your corporate strategy is not lived and breathed by your staff, it is difficult to realize. Only through a common language that speaks to both heart and mind is it possible to engage your employees in a common goal and face new challenges. The point of choosing authentic stories is to exemplify those employees who express the attitudes and behaviours that make the strategy possible. In order to realize this objective storytelling is customized.

The stories that come out of storytelling are elements within the culture that create the support and enthusiasm to implement the strategy. However, "silo mentality" is the greatest challenge facing the strong culture that supports the strategy and the employee's willingness to change. In our experience, silo mentality is enemy number one for companies that want to make a change and create a sense of unity and a strong company culture. Employees who are stuck in "silos" are only concerned with their own limited objectives and don't look beyond their own areas of management. This kind of thinking makes it very difficult to support the corporate strategy.

As you will read, storytelling has led us right to the heart of the business. It's not just about supporting the company's brand; it is a tool that may be used to strengthen the company culture. In times of change and strife, where new strategies must be implemented, it can create common ground and a trust internally, and can tear down the walls of the silo mentality.

We have felt honoured to be part of the storytelling debate that has dominated the media over the years. Simultaneously, we have observed companies becoming more and more interested in the term, but we have also seen confusion in terms of what storytelling actually means in practice. For this reason we decided to write a book that shares our experiences from the frontiers of branding and storytelling and provide a toolbox for companies as a starting point for telling their own stories.

The first version of this book came to life in a bustling loft in Copenhagen, Denmark, during the heat wave of the summer of 2002. It is the result of years of experience, new ideas, ups and downs, late nights and early mornings, praise and criticism. Many people have been involved in its conception. First and foremost our thanks to Kjeld Kirk Kristiansen, CEO, the LEGO Company, Lars Kolind, former CEO of Oticon, and Torben Ballegaard Sørensen, CEO of Bang and Olufsen for their courage in taking our advice to heart: that a good story is the key to global success. In this new version, our understanding has increased remarkably thanks to Lars Hansen, Anne-Marie Skov, Jørn Tolstrup Rohde, Jens Alder, Finn Ketler, Viggo Mølholm, Torben Paulin and Stephen Blanchette. We must also thank Morten Jonas, Hanne Andersen, Klavs Hjort and Claus Moseholm, who, during their time with SIG-MA, contributed thoughts and ideas that form the basis of this book. Also we wish a heartfelt thank you to Kurt Pitzer who on many occasions have travelled to Denmark from London, L.A., Bosnia and Barcelona to help us in our search for the good story. Their faith meant that we at SIGMA received confirmation of the powerful effect a story has when told in the right way, to the right people at the right time.

Thank you to all the people at SIGMA who have contributed with input and support. A special thank you goes to Tue Paarup for his keen model development and his critical and clarifying feedback, to Trine Møllgaard for constructive criticism, Peter Thielst Jessen for inspired graphic design, Thomas Thorhauge for his amazing illustrations, to Julie Thygesen for research, and to Tara Stevens and Niels Blom for translating the book into English. And of course a special thank you goes out to one of the strongest ambassadors of the narative approach, Baris Yakaboylu, for participating in the creation of the first version of the book.

This updated version would never have become a reality had it not been for the persistence of our editor, Henrik Schjerning. Furthermore, he gave us the key to Signe Marie Holdt who became the leading lady in pinpointing our new thoughts and realizations. Had it not been for Signe's sharp sense of editing and structure the debate could easily have gone on for a long time. We must also thank Tine Bjørn Rasmussen for coordination and management as well as Christian Robert Rasmussen and Morten Hjære Langkjær for setup and layout—all three played important roles in bringing this updated version to life. Finally, we owe a debt of heartfelt gratitude to Julie, Luna and Storm, Anna and Klara, Markus, Anna, David, Sarah and Tine for their patience, love and support.

This is our contribution to everybody who makes it his or her daily task to chase the good story.

Happy hunting!

September 2010 – SIGMA, Copenhagen, Denmark





"It was an unusually busy afternoon at the local Domino's Pizza in small town America. Orders were coming in at a blistering pace, the kitchen was at maximum capacity and the blue-uniformed delivery boys and girls were working overtime to get pizzas out to hungry customers. It was just then that the unthinkable happened: they were nearly out of pizza dough. Stocks were so low in fact, that if orders kept coming in at such a frenzied pace, the kitchen would simply run out. Action was needed, and fast.

The manager grabbed the phone and called the national Vice President of Distribution for the US, explaining the situation. A chill ran down the spine of the Vice President as he thought of the public embarrassment if one of Domino's outlets could not deliver as promised. Springing into action, he did everything in his power to solve the problem: A private jet was dispatched at once, laden with Domino's special deep pan dough, and all the while local employees battled against the clock, as their inventory of dough dwindled.

Unfortunately, all their efforts were in vain. Even a private jet couldn't get the dough there on time, and that night Domino's Pizza was forced to disappoint many hungry customers. For an entire month afterwards, employees went to work wearing black mourning bands."

It is not a particularly happy ending, but we are left in no doubt as to the importance Domino's Pizza place on their ability to deliver. After all, it is upon their commitment to this promise that the brand is built. The message within this particular story resonates strongly throughout the organisation, giving employees a very clear idea of what their brand values are, while showing consumers exactly what promise lies at the heart of the Domino's brand.

Herein, lies the true power of a good story. Even this relatively small anecdote has depth, credibility and a punchy message applicable to both internal and external listeners. It makes it easier for us to believe in Domino's vision: to be "the best pizza delivery company in the world". By telling a story like this, both employees and consumers understand what it really means to be the best.

As a concept, *storytelling* has won a decisive foothold in the debate on how brands of the future will be shaped; yet, there is still a conspicuous lack of critical insight as to how and why storytelling can make a difference. For most companies, storytelling remains an abstract concept, at best reserved for PR and advertising executives, at worst, wishy-washy claptrap with no real value. What's the point of telling stories anyway? What makes a good story? And how do you go about telling it so that it supports the company brand?

Concrete answers are few and far between, and the debate for now is largely academic. The aim of this book is to make storytelling tangible. In the following chapters, we hope to turn abstract notions of storytelling into practical tools by giving real-life examples of how storytelling can be used as an effective branding tool.

This book is written for those of you who are fed up with lofty talk, and for those of you who are interested in using storytelling as a branding tool within your company. As a concept, storytelling has won a decisive foothold in the debate on how brands of the future will be shaped.

Once Upon a Time...

In days of old when we were still hunters and gatherers, and our social lives took place around the glow of a campfire, women prepared the evening meal while their menfolk swapped stories of the day's hunt. It was here, too, that the tribe's elders handed down the myths and legends surrounding their gods and ancestors and where knowledge and experience was exchanged and passed along the generations. These stories helped shape the identity of the tribe, gave it values and boundaries, and helped establish its reputation among rivalling tribes. It was storytelling in its purest form.

In many ways the modern company resembles these tribes of old: the stories that circulate in and around the organisation paint a picture of the company's culture and values, heroes and enemies, good points and bad, both towards employees and customers. By sharing our stories, we define "who we are" and "what we stand for". And just like the elders of the tribes of old, the strong leaders of today's companies distinguish themselves by being good storytellers; voices that employees listen to, are inspired by and respect.

Indeed, storytelling is an integral part of what distinguishes us as human beings. The esteemed writer and movie director, Paul Auster, once said that telling stories is the only way we can create meaning in our lives and make sense of the world. We need them in order to understand ourselves and communicate who we are. And by sharing stories of our experiences, we can better understand the conflicts of our daily lives and find explanations for how we fit into this world.

Since time began, religious stories have provided people with deeper meaning in life. Since time began, religious stories have provided people with deeper meaning in life, offering insight into why we are here and how we should live, and providing comfort in our darker times. The Bible is perhaps the most obvious example of this. For over 2.000 years, through parables and teachings it has given us a set of guidelines and moral laws to uphold that remain deeply entrenched in the act of being human. Karl Marx once said of religion: "It is the opium of the people". What he meant is that religion is the propaganda used by those in power to seduce the working classes and keep them from staging a revolution. He juxtaposed this by telling a story about the uprising and victory of the working classes, counterbalanced by the downfall of capitalism. In religion, as well as in politics, stories have often represented a turning point in changing the way we think. From Gandhi to Martin Luther King to Nelson Mandela, many political and spiritual personalities have had one thing in common: they could tell a spellbinding story that made a difference and gave meaning to people's lives.

Throughout time stories have brought together and inspired tribes, cultures and nations. The so-called American Dream is a classic example of a story about someone, who, by working hard goes from rags to riches and fulfils their dream. It continues to seduce people from all over the world who continue to head for America in search of happiness. Today, the US is a melting pot of different religions, races and ethnic groups; yet, as American citizens they come together as one when they place their hands over their hearts and sing the same national anthem about "the land of the free and the home of the brave". The song tells the story of freedom, hope and the courage to fight for what you believe in. The message is so powerful and universally appealing that people from all over the world can come together under its theme.

When Emotions Take Hold

As human beings, stories have always formed a crucial part of our ongoing evolution. In a Western market economy increasingly driven by emotions and the pursuit of the "the good life", our need for them seems to get stronger and stronger. It is, therefore, no coincidence that an ancient tradition like storytelling should appear in a new form—as a tool for brand building.

Sociologists and social scientists say that we are experiencing increased levels of fragmentation in today's society. The value systems that have traditionally guided us are coming undone, in part caused by the lack of a dominating authority, such as science or religion, to dictate what values we should adhere to. We are no longer subjected to a fixed set of traditions, but can pick and choose as we see fit. There is no final truth for us to turn to in structuring our lives. With so many choices, no one telling us what to do or think, and so much freedom of choice, the world is our oyster.

Each one of us has to figure out our beliefs for ourselves. One of the ways we go about this is by surrounding ourselves with symbols that signal our values and lifestyle, including products and brands, the way we live, spend our spare time or travel. It is not random that we prefer the bohemian apartment in a trendy city neighbourhood, say, to a house in the suburbs, or that we prefer a bucket, and, spade package holiday to trekking in the Himalayas. It's a choice that makes a statement about who we are.

We navigate our world using symbols and visual expressions that signal our personality and our values. And strong brands are one of the means by which we do this. A pair of hiking boots from Timberland and a Kevlar jacket from The North Face, for example, signal an outdoorsy, active type. But this also works the other way around, such as when we boycott companies that fail to live up to our moral expectations. Increasingly, we are using the shopping-cart to "vote", expressing ourselves through our purchases. Strong brands are becoming an important tool for communicating these beliefs.

We navigate our world using symbols and visual expressions that signal our personality and our values. And strong brands are one of the means by which we do this. What we wear, eat and surround ourselves with increasingly signals how we see ourselves and seek social acceptance. Lifestyle experts have turned these apparently "superficial" choices into a science that determines who we *really* are. Futurologists are likewise also spotting trends in our purchasing patterns, which point to a different outlook: we are becoming increasingly immaterial and are more strongly influenced by our emotions. This tendency is illustrated by turning Maslow's Hierarchy of Needs upside down: In the Western World all our basic physical needs have been met. A high standard of living is taken for granted and focus has shifted to realising our own potential.

What a Difference a Story Makes

The West is a world of material excess, yet most companies continue to manufacture products and services that look pretty much the same. They have failed to understand that we do not want more products. The market is already so saturated, we have difficulty choosing and the rational arguments as to why we have to buy a specific company's product are not sufficient. A quality product at an affordable price is no longer a decisive factor or an advantage. Instead, we demand products that provide us with unique *experiences*: products that appeal to our dreams and emotions, and add meaning to our pursuit of "the good life".

Quite a lot of companies have begun to open their eyes to the consumer's need for an emotional dimension in branding; however, many organisations still have a long way to go. This is especially true for companies that have been entirely product driven. For them it can be difficult to break free of habitual thinking and years of deeply entrenched traditions. Their challenge is to build solid values into their brand.

One approach to making these values visible is through storytelling. When using storytelling as a tool you can dig out the For product driven companies it can be difficult to break free of habitual thinking and years of deeply entrenched traditions. Tough times lay ahead for companies that shut their eyes to the deeper and more emotional dimension of the brand and continue to compete only on product and price.

The brand story gradually becomes synonymous with how we define ourselves as individuals, and products become the symbols that we use to tell the story of ourselves. authentic stories that are buried deep within every company, so making the company's culture and foundation for the brand evident. In other words, the story behind the brand builds on the culture within; addresses our emotions and values; and last but not least, helps you to build a bridge between the company and the consumer—communicating more than mere price advantages. Tough times lay ahead for companies that shut their eyes to the deeper and more emotional dimension of the brand and continue to compete only on product and price.

When companies and brands communicate through stories they help us to find our way in today's world. In other words, the brand story gradually becomes synonymous with how we define ourselves as individuals, and products become the symbols that we use to tell our stories. They help us communicate who we are. This is where branding and storytelling form a perfect partnership.

Ask yourself honestly: can you tell a captivating story about how your company makes a difference?

Values and Emotions

A brand is the *perceived* added value that a company or product represents, making us loyal in our preferences both to the company and to its products. A strong brand is a combination of facts and emotions. We rationalise and legitimise with our brains, but we buy with our hearts, be it shampoo or insurance. The product has to be up to scratch in order for us to rationalise our choice, but it is the heart and not the head doing the persuading when we buy expensive Maldon rock salt instead of ordinary table salt. The taste is pretty much the same, but the experienced value is different.

In order to retain the loyalty of your customers in today's competitive environment, you have to create an experience that is relevant and differentiates your brand from others. The physical product no longer makes the difference. The difference lies in the story, because the story is what drives the bond between the company and the consumer. As human beings, we actively seek stories and experiences in our quest for a meaningful life. Likewise, companies need to communicate based on values, and clearly illustrate how they make a difference. These fundamental aspects of our modern society and marketplace have created the natural link between branding and storytelling.

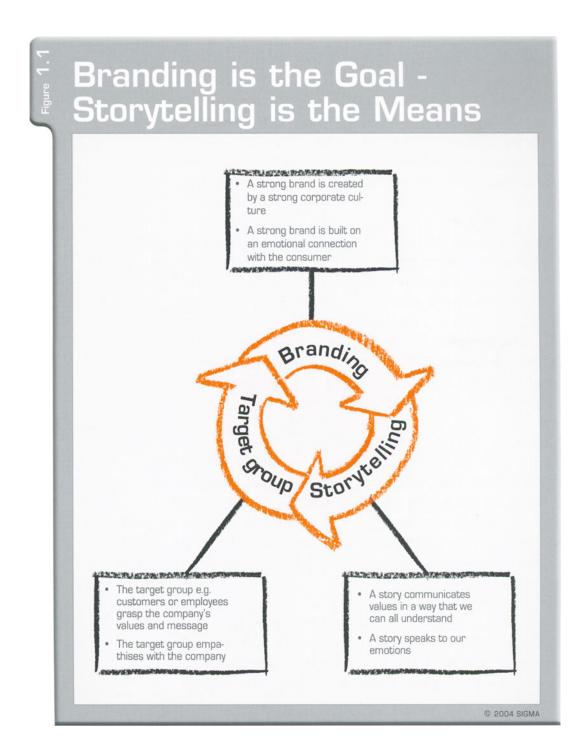
Companies need to rethink. They need to understand the logic of storytelling in order to build an emotional bond with their consumers and their employees. Employees increasingly demand that their employer has values that they themselves can identify and feel comfortable with. We would rather earn slightly less and feel good about what we do for a living. It needs to make sense as part of the bigger picture. As such, storytelling is as relevant for internal branding and towards other stakeholders, as it is towards the end consumer.

Most simply, storytelling and branding come out of the same starting point: *emotions* and *values*. A strong brand builds on clearly defined values, while a good story communicates those values in a language easily understood by all. A strong brand exists based on its emotional ties to the consumer or employee, while a good story speaks to our emotions and bonds people together. Ultimately, storytelling has the power to strengthen a brand both internally and externally.

With luck, this chapter will have made you think: How can I work storytelling into my company's infrastructure? And how can my company tell a story that will make a difference to our employees and customers? This is the theme for the rest of the book.

The story is what drives the bond between the company and the consumer.

Storytelling has the power to strengthen a brand both internally and externally.



How the Book is Structured

PART ONE: THE TOOLBOX

The aim of the first part of the book is to clarify the concept of storytelling. What does storytelling actually entail, and why is it relevant in relation to branding? In the course of the first five chapters you will receive concrete tools and guidelines to start using storytelling in your company.

Chapter 2: The Four Elements of Storytelling

Over centuries, storytellers have used the same basic structure and tools for creating captivating stories. Chapter 2 defines the four elements for creating a good story and with those in the bag, we are ready to begin targeted work with storytelling.

Chapter 3: Storytelling in Business

In order to counter any possible confusion as to how storytelling can be applied as a tool for companies to build their brand, chapter 3 shows how storytelling works on two levels: storytelling as a strategic branding concept and storytelling as a communication tool.

Chapter 4: The Company Core Story

In order to create a strong and consistent brand, your company needs to formulate one core story that forms the basis for all communication. Chapter 4 details the process of how you find and develop your company's core story.

Chapter 5: Authentic Raw Material For Storytelling

Once your company has developed its core story the foundation for your brand is in place. Now the core story has to be "translated" into concrete stories to make the brand relevant for the company's stakeholders. Chapter 5 provides guidelines for finding the genuinely good stories about your company.

PART TWO: STORYTELLING APPLIED

The second part of the book is structured around a number of actual cases that illustrate how storytelling can be used as a tool to strengthen the company brand, both internally and externally, and towards employees, clients and media channels.

Chapter 6: Storytelling as a Management Tool

First and foremost, a strong brand is created from within. The second part of the book details how storytelling can be used as a management tool, while chapter 6 focuses specifically on how storytelling can be used to communicate values and strengthen the company culture.

Chapter 7: Storytelling in Advertising

Chapter 7 takes us outside company boundaries and shows how storytelling has been used in traditional advertising and mass communication. Here stories are used to create an emotional bond with the customer, at the same time building a long-term platform for communicating the company brand externally.

Chapter 8: When Storytelling Becomes Dialogue

With the widespread penetration of digital media, companies have lost their monopoly on getting stories across to customers. Instead, customers have easy access to other opinions and can easily tap into a worldwide audience. Chapter 8 outlines how digital media provides new possibilities for exchanging stories and opinions with your customers, and shows how you can strengthen the company brand through dialogue.

Chapter 9: The Media as a Storytelling Partner

Independent sources add credibility to your company story. Through understanding what makes the media tick, companies can gain a powerful co-storyteller in their communication with the public. Chapter 9 provides guidelines on how you can work with storytelling based on the premise of the media.

Chapter 10: Tearing Down the Walls

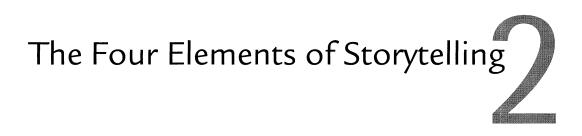
In order for storytelling to achieve the largest possible effect as a branding tool, companies need to think holistically and bring all the different communication disciplines under one roof, internally and externally. Chapter ten encourages you to tear down the walls that conventionally separate these disciplines and gives you the tools to express the company's culture through a core story that is integrated across all company departments.

If you would like to see the visual references connected to the book's many case studies, please visit *www.sigma/storytelling.dk*.

PART ONE:

THE TOOLBOX

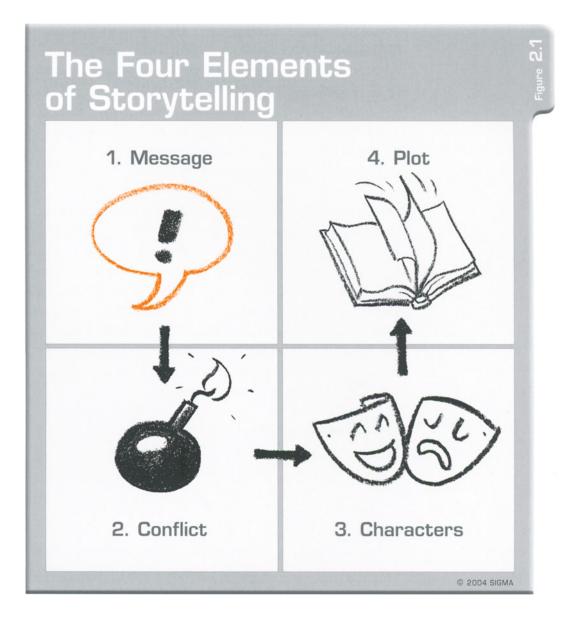




Like the four elements of nature—earth, wind, fire and water—there are four elements that make up the core basis of storytelling. The following chapter outlines the underlying mechanisms of a good story.

Ever since we were children we have been told stories. Now, even as adults, we continue to hear a multitude of stories every day: over the breakfast table with our families, from our colleagues at lunch, from friends over a cup of coffee, or through the media and the many commercial messages that deluge us on the TV, radio and Internet at any given time. So it is easy to spot a good story when we hear one. But it is this same instinctive understanding of storytelling that causes confusion when we speak of storytelling and branding. Because it is often assumed that we have a shared *understanding* of what makes a good story, the fundamental premises of storytelling are often left unexplained, and this can cause confusion as to what the concept of storytelling actually entails. What constitutes a story in the first place? And what makes a story good?

Unfortunately, there is no fixed formula. Furthermore, it would be naive to assume that a narrow interpretation of what makes a story good will help us to become better storytellers. Because storytelling encompasses so many different factors that need to be fine-tuned to a specific audience and a given situation, it is virtually impossible to lay down a hard set of rules. There are, however, some basic guidelines that can be used. A peak in the annals of literary history shows that most stories—from Aristotle to Hans Christian Andersen—entail at least some fixed basic elements. These elements can be mixed, matched and applied in a variety of ways depending on the context in which the story is told, and its purpose.



In turn, these four elements can be used as checkpoints when you develop stories about your own company, helping to ensure that the story has what it takes to be a good one. Figure 2.1 shows the four elements that we are going to discuss in detail on the following pages.

The Message

Storytelling as a branding tool is not about telling stories just for the sake of it. Rather, for most companies storytelling is about using stories to communicate messages that reflect positively on the company brand. But first you must develop a clearly defined message. Without it, there is no reason to tell stories—at least not with a strategic purpose.

Among storytellers—screenwriters as well as authors—the central message, or *premise* of the story, is an ideological or moral statement that works as a central theme throughout the story. In the tale of the hare and the tortoise, for example, the tortoise wins the race because he is slow and steady, rather than speedy but careless. The moral of the story is that "arrogance backfires". In *Romeo and Juliet* the moral is "true love conquers even death". The story itself becomes proof of the premise—the central message—and through it, the audience can better understand and internalise the message.

Stick to one message per story. If you want to communicate more than that, you need to prioritise. A story with more than one central message runs the risk of becoming messy and unclear.

The Conflict

Imagine *Jaws* without a hungry white shark, *Superman* without kryptonite, or the tale of *Little Red Riding Hood* without a ferocious wolf: the teenagers would have had a great summer at the beach, Superman would not have had a worry in the world, and Little Red Riding Hood would visit her grandmother and then go home. Boring and predictable springs to mind! Movie direc-

Without a clearly defined message there is no reason to tell stories—at least not with a strategic purpose. tor Nils Malmros once said, "Paradise on a Sunday afternoon sounds great, but it sure is boring on film." In other words, too much harmony and not enough conflict makes for a story that is about as exciting as watching paint dry.

Conflict is the driving force of a good story. No conflict, no story. But why is this the case? The answer lies in human nature. As humans, we instinctively look for balance and harmony in our lives. We simply don't like being out of tune with our surroundings and ourselves. So, as soon as harmony is disrupted we do whatever we can to restore it. We avoid unpleasant situations, feelings of stress or anxiety. If we have an unresolved problem with our loved ones, or our colleagues, it bothers us until we clear the air and return to a state of harmony. When faced with a problem—a conflict—we instinctively seek to find a solution. Conflict forces us to act.

Thus, a story is set in motion by a *change* that disturbs this sense of harmony. In the story about Domino's Pizza in chapter 1, this change occurs when they discover that pizza dough is running low. Fear of disappointing customers and failing the company's exacting standards and basic promise to those customers lurks in the background. Harmony is in danger! These factors—change and fear—form the basis of the conflict and challenge in the story: How can the people at Domino's get hold of more dough before it is too late? The conflict forces action to be taken in order to restore harmony. This is why good stories captivate us. They address our emotional need to bring order to chaos.

The story comes to life during the transition that takes place from the onset of change until the conflict has been resolved. Without this transition the story would grind to a halt. If Domino's had had plenty of dough, they would have been baking and delivering pizzas *as usual*. No story! As a rule of Conflict is the driving force of a good story. No conflict, no story. thumb, a good story always centres on the struggle to attain, defend or regain harmony. The very lifeblood of a story lies in the field of tension between the two outer poles: unpredictable chaos and predictable harmony. Like the hero who ventures out in search of adventure and returns home safe and sound in the end.

As storytellers, we get our message across through conflict and its resolution. When the Ugly Duckling becomes a beautiful swan and is finally accepted into the flock of swans, the conflict is resolved, and Hans Christian Andersen succeeds in showing that heritage is more important than environment in shaping our personalities. In the classical fairytale, conflict often manifests itself as a battle between good and evil: the hero versus the villain. Through the struggle between good and evil the story communicates the narrators point of view, communicating his or her values and message to the audience. In storytelling, conflict is not negative. It is a fundamental premise on which the narrator can communicate his or her perception of right and wrong.

In the classical fairytale the conflict is often permanently resolved. Invariably. the hero and heroine live happily ever after. By contrast, many present-day stories have a less definitive ending. Often the conflict is only partly resolved, or a new conflict appears prompting further reflection by the audience. This is particularly true of thriller and horror genres, where audiences are kept on the edge of their seats throughout. Consider Henrik Ibsen's classic, *A Doll's House*, where, in the end, Nora leaves her family and marriage. Nora disappears out of the front door and we are left with numerous unanswered questions. Where did Nora go? What will happen to her? An open ending is a powerful and provocative tool, providing food for thought that forces the audience to think about what might happen next.

As storytellers, we get our message across through conflict and its resolution.

In storytelling, conflict is not negative. The greater the conflict the more dramatic the story will be; however, the conflict should not get so over-the-top that it becomes confusing. When a story becomes chaotic, it is difficult to keep an audience captivated. Complete chaos is as dull as total harmony. There is no set recipe for the right balance. In order to judge if a conflict will work or not, you can try "measuring" your story on the Conflict Barometer.

The Conflict Barometer

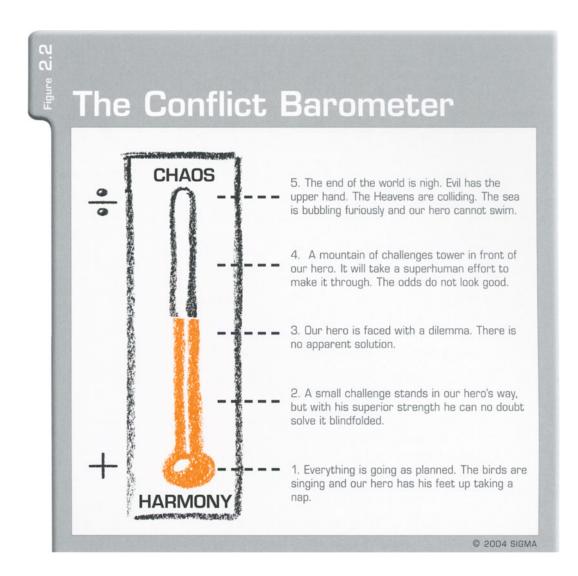
The aim of this test is to scale the conflict of your story to the right level. Remember, when working with conflict you are dealing with the central turning point of the entire story. The following are a set of guidelines for creating a good conflict.

- Try formulating the conflict explicitly and to the point. Is it a conflict at all?
- 2) Consider how the conflict can be resolved. Good conflict is created through a problem or challenge where there is no immediate solution. If the conflict has only one obvious solution, the audience will quickly figure it out. If the story is predictable it becomes boring.
- Are there many smaller conflicts besides the central one? Too many sub-conflicts can easily focus attention away from the main conflict making the story less clear.
- 4) Can you identify the hero and his/her opposing forces within the story? How are their relative strengths matched? If they are too unevenly matched, e.g., when the hero is too strong, or opposing forces too powerful the story quickly becomes tedious or confusing.
- 5) Are you having problems identifying the conflict in the story? If so, take another look at the basic message: Is it clearly

TEST



defined? If the basic message is weak e.g., "it is nice to be at the beach" or "nature is delightful" so too is the foundation for a good conflict.



Based on the scenarios laid out in the Conflict Barometer in figure 2.2, the conflict in your story should be in the top half to ensure a good story.

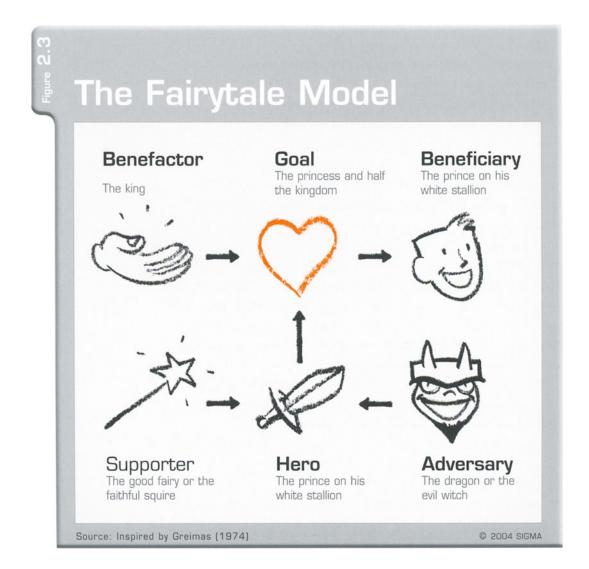
The Characters

Another basic element in storytelling are your characters. We have seen how conflict marks the turning point in the story, but in order for this conflict to play out, you need a cast of interacting and compelling characters.

The classical fairytale is built on a fixed structure where each character has a specific *role* to play in the story, and each person supplements the others and forms an active part of the story. This classical structure can be found in storytelling traditions throughout the Western world—from old-fashioned folk tales to Hollywood's action-packed blockbusters. The structure of the classical fairytale (figure 2.3) highlights each individual character, and their functions and roles in relation to each other.

A story typically starts out with your main character, or *hero*, pursuing a goal. Let us say, the hero is Robin Hood fighting for justice and freedom in England. The hero has one or more *arms of support* in this case, Little John and his Merry Men. He also has certain special skills: an acute sense of cunning, and a bow and arrow, which also support his quest.

The hero's path to achieving his goal is not, however, problemfree. There is always an *adversary* who tries to work against the hero, thereby establishing the conflict. In the case of Robin Hood, his adversaries are Prince John and the Sheriff of Nottingham who must be defeated in order for justice to prevail. A deeper interpretation is that Prince John is a personification of cruelty and the abuse of power in England. The *benefactor* is King Richard, who, in the end returns from the cruA classical structure can be found in storytelling traditions throughout the Western world—from old-fashioned folk tales to Hollywood's action-packed blockbusters. When developing your own corporate stories, you can benefit from using the Fairytale Model to check if your story has the necessary characters to pull the story together. sades establishing peace and justice in England. The *beneficiary* in this story is England, in particular the poor and oppressed who have suffered under the yoke of Prince John's rule. In short: It is a classic cast of characters that give the story its structure. When developing your own corporate stories, you can benefit from using the Fairy-tale Model to check if your story has the necessary characters to pull the story together.



Generally speaking, a successful conflict needs a hero and a villain with opposing agendas. The *adversary* can take on many guises, both physical and psychological. It could, for example, be a static obstacle such as a mountain that must be scaled, which, on a deeper level, shows the real adversary to be the fear of climbing that mountain.

In the case of a company, the adversary could be customers who lack confidence in the company's product, or the employees' lack of faith in their abilities. The adversary might also appear in the shape of a *villain*: the selfish boss, for example, who is afraid of losing his job and consequently attempts to hide or trample on his employees' criticisms. As a driving character, the adversary stands in opposition to the hero's quest. By battling against the adversary, the hero is able to struggle toward his own personal development and resolve the story's conflict. The resolution of the central conflict is proof of the story's message, as the hero attains, or fails to attain, his goal.

In order to get personally involved with a story, we, as readers or listeners, must be able to identify with the characters. This happens especially when we recognise a little bit of ourselves in the characters in the story. Here, it is important to keep your target audience in mind. The audience must be able to identify with both the hero and the problem. Based on our need to have balance in our lives we will usually empathise with a person faced with a conflict. We recognise feelings like sorrow, despair, joy, fear or hope. But we also have to understand the motivation behind the person's actions. Why do they do what they do? For what and why are they fighting? Ultimately, a story's progress must seem likely and credible.

Once your story has been identified, the Fairy-tale Model can help to determine whether the story has the basic structure needed to give it action and conflict. It does not have to be an epic; the Fairytale Model can also be applied to small, everyday stories. Let us take an example from the real world. Here is a story from a large US company:

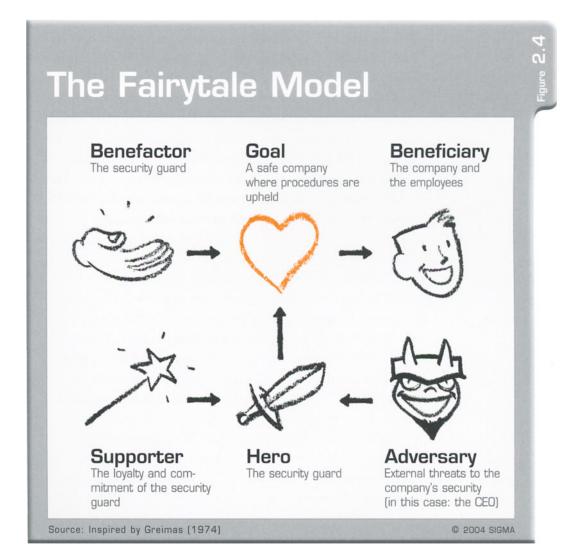
"It was an ordinary morning and people were gradually starting to show up for work at one of America's leading IT companies. A big black limousine silently crawled up the drive and parked in front of the impressive entrance. The CEO stepped out. He was actually one of the founders of the company, and as usual he walked up the stairs to the main entrance. He was just about to step through the large glass doors when he heard a voice say, 'I'm very sorry sir, but I cannot let you in without ID'. The security guard, who had worked for the company for many years looked his boss straight in the eyes showing no sign of emotion on his face. The CEO was speechless. He felt his pockets to no avail. He had probably left his ID at home. He took another look at the motionless security guard, and scratched his chin, thinking. Then he turned on his heels and went back to his limousine. The security guard was left standing, not knowing that by this time tomorrow he was going to be promoted to head of security."

This story still stands as a bastion of the values of the company: The loyal employee who is rewarded for his uncompromising commitment to company security, despite the fact that he denied the CEO himself access to his own building. As the story has been told and retold by employees it has become a fixture in defining what qualities make "a good employee".

As readers, we instinctively know that it works as a story. A conflict appears and is resolved, and the surprising ending delivers the message. This is confirmed when we look at the story through the Fairytale Model (figure 2.4).

This is a true hero's tale. The security guard takes on the role of

the hero and in turn is rewarded for his vigilance and bravery. Even if the CEO is not a real villain, he represents the adversary who disrupts harmony and creates conflict: the external element that threatens the safety of the company. The guard draws on his personal strength and stands firm.



The conflict also has a comical twist in the ludicrous notion that the guard should actually deny entry to his boss. This further emphasises the extreme loyalty of the security guard and makes the story even more compelling. The conflict is resolved and company security safeguarded. The receivers are both the company and its employees who benefit from the guard's loyalty. As this example illustrates, the same character can take on several roles, expressing the forces at work that pull in different directions and ultimately create the action.

The Plot

Once your message, conflict and cast of characters are all in place, it is time to think about how your story should progress. The flow of the story and its events are vital to the audience's experience. Given the fact that we can only tell one thing at a time, and that a story exists only as a progression of events within a given time span, the sequence of events needs careful consideration. It must have a precise structure to propel it forward and maintain audience interest.

Generally speaking, a traditional story can be segmented into three parts: beginning, middle and end. First, the scene it set. Next, the progression of change creates conflict and sets the parameters for the rest of the story. The conflict escalates but is finally resolved, marking the end of the story. This basic flow characterises even the simplest of anecdotes. In a more comprehensive story, we can look to a more elaborate but still classical flow of events. A good *lead* will grab our attention and give us a taste of what is to come, setting the theme and tone of the story. Religious stories, in particular, go all out for a hardimpact opening. The first sentence of the Bible reads, "In the beginning God created the Heaven and the Earth". The tone is set for a very good read.

Once the conflict has escalated to the point of no return, the

Generally speaking, a traditional story can be segmented into three parts: beginning, middle and end.

The first sentence of the Bible reads, "In the beginning God created the Heaven and the Earth". The tone is set for a very good read. hero usually has to make a decisive choice, which will influence the outcome. Now, it is the *escalation of the conflict* and the development of our hero that drive the story forward, building up to a *climax*, e.g., where the hero, finally confronts the villain. In most Hollywood productions, the story will end positively, reestablishing harmony. Of course, this is not how all stories end. Endings can surprise you. In any event, the end of the struggle marks the story's *fade out*.

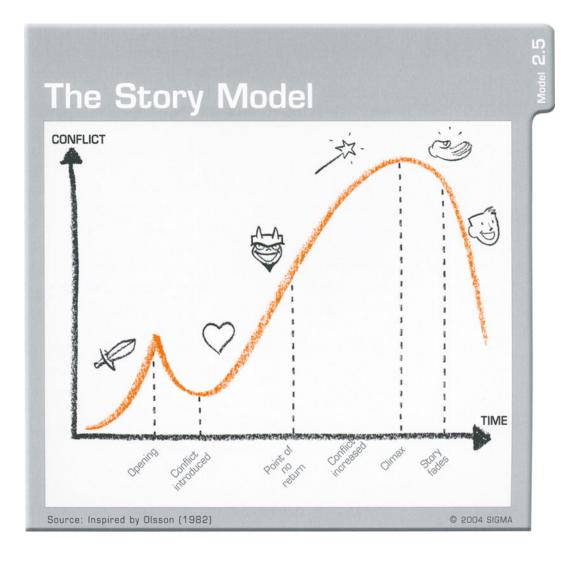


Figure 2.5 outlines the relationship between the conflict, the cast of characters and the flow of events when telling a story. The Y-axis shows the tension curve and conflict development. The X-axis shows the timeline, and the curve shows at what point the characters are usually introduced and how they influence the story.

Having discussed the four elements of storytelling, we are now ready to delve deeper into the relationship between branding and storytelling, and shed light on how storytelling can be applied by companies.

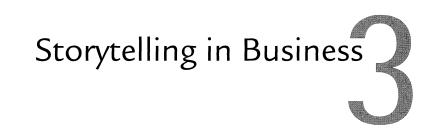


Tell a Tale

Once the conflict and cast of characters are in place, you need to consider how the events and story will unfold. Try telling your story based on the following questions:

- · How does the story open?
- · How is the *conflict* introduced?
- What is the point of no return in the story?
- What is the *climax* of the story?
- How does the story *fade out*—how is the moral of the story presented?





In the business context, storytelling is primarily used on an operational level—in the daily job of telling good stories about the company. In this chapter, we will take a closer look at storytelling both as a strategic branding concept and as an operational communication tool.

In the last chapter we discussed the four elements of storytelling, outlining the process of putting a story together. Here, we will show how companies can use this process for several purposes, both on a strategic management level, and on an operational level in day-to-day communication with employees.

Storytelling as a Branding Concept

As storytelling increasingly catches the eye of the business community, the mantra has become: companies must tell a story that beats a path to the heart of the consumer. The best storytellers will be the winners of the future. But what does it actually mean for companies to "tell a story"?

At the beginning of the book, we talked about how a strong brand represents a *story*. Harley-Davidson, for example, represents the story of "freedom", while Nike represents the "will to win". In this way, storytelling becomes an effective tool for creating an entire brand concept: one that stays with us, because it touches our emotions. In a nutshell the story reflects the brand values.

The core story is closely tied into a company's corporate brand.

It activates and makes visible the corporate culture in a way that makes sense and guides every employee across the different departments. The core story ties all of the company's brand communication together.

By analysing Nike's core story using the Fairytale Model (figure 3.1), we can see that it has both a clearly defined conflict and a strong cast of characters. Basically, it has all the elements necessary to make a good story. By comparison, the LEGO brand represents a story of "learning through creative play". Here, the *goal* is to encourage creative development in children. The *heroes* are LEGO Company employees, *support* comes in the form of LEGO bricks, which stimulate creativity and imagination, and the *adversaries* are represented by passive entertainment, such as television.

A core story charts the course for the entire corporate brand. It should act as a compass directing all company communication, both internally and externally. And it is precisely here that storytelling becomes a strategic tool for top management. Chapter 4 goes into more detail about how management can find and develop the core story of their company's brand.

Corporate and Product Brands

Storytelling is useful both on a corporate and on a product level. The crucial factor is that the company keep a firm eye on its long-term brand strategy.

Within businesses there are a number of basic brand strategies. Nike and Procter & Gamble represent opposite poles of the spectrum. Nike's brand is a corporate brand that exists independently of the individual products, yet, these products, e.g., Nike Air also support the overall Nike corporate brand; the essence of what makes Nike, Nike. The core story is closely tied into a company's corporate brand.

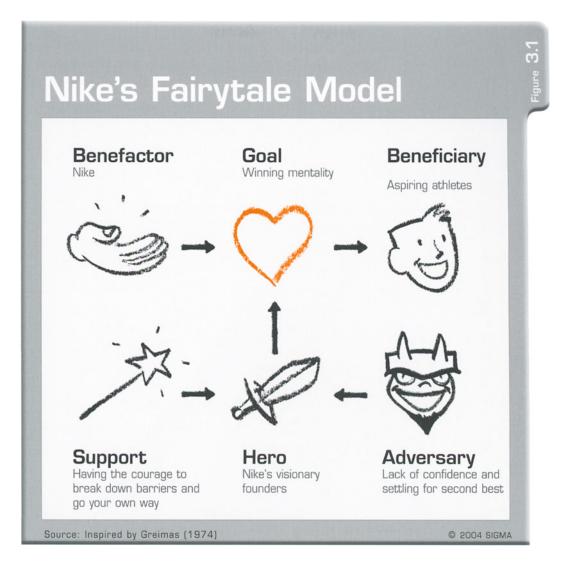
A core story charts the course for the entire corporate brand.

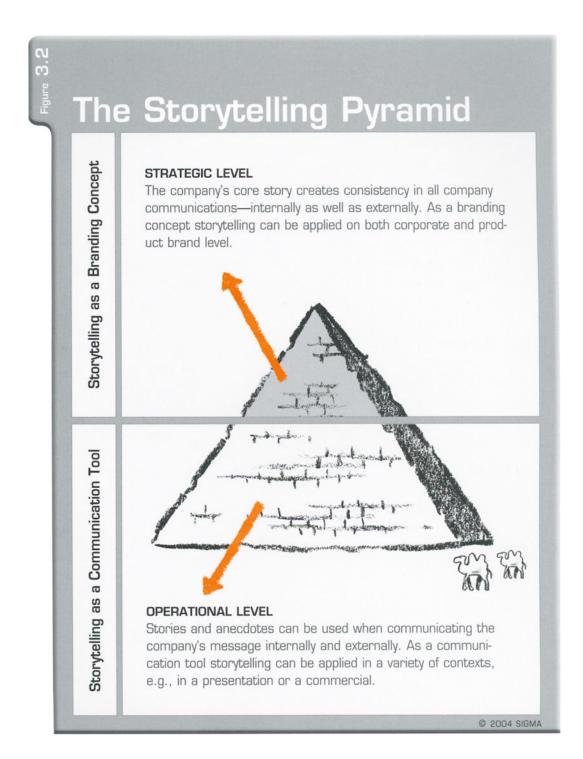
Storytelling is useful both on a corporate and on a product level. A range of strong product brands like Pampers and Pringles, on the other hand, drive Procter & Gamble. These product brands exist independently within their own clearly defined identities while corporate Procter & Gamble stays quietly in the background. For a company like this, the strategic challenge is to create strong core stories for each of its product brands in such a way that they do not conflict with each other, or with the corporate brand.

We will not go further into this discussion, however all the evidence points to an increased focus on corporate brands and what they stand for. In part this is due to the fact that companies can no longer hide behind corporate walls. The consumer is more switched on, and has more access to information via publications, television and the Internet than ever before. In turn this information can be exchanged and discussed in a public domain, leading to a far more transparent marketplace. Add to this heightened consumer awareness about ethical behaviour in the global market, and consumers are in a powerful position to make informed brand choices that transcend need and desire alone. Effectively, they are making a statement about their own set of beliefs. As such, companies need to offer brands that help the consumer navigate and make choices in the marketplace of tomorrow.

Storytelling as a Communication Tool

Along with its strategic value as a branding concept, storytelling can also be hugely effective for operational communication purposes. One example is when we use stories to communicate our purpose in a given context, such as a simple anecdote that we share with our colleagues when explaining a point, or reinforcing an argument. Even the smallest anecdote contains the four key elements of storytelling and it easily travels by word of mouth. Remember the story of the security guard who refused his boss entry to his own company?





Throughout the course of this book, we aim to show how companies can use storytelling as a dynamic communication tool in a number of different situations, both internally and externally. At an operational level, individual stories become blocks in the brand building process. The Storytelling Pyramid (figure 3.2) illustrates how this book divides the storytelling concept into a branding concept and a communication tool.

A Holistic Approach to Storytelling

The two applications of storytelling in no way exclude one from the other; on the contrary, they support each other. The most effective use of storytelling as a branding tool is to adopt a holistic approach and seek to use the two approaches in ways that support the central brand message. In so doing the core story becomes the common denominator for the company's internal and external communication.

The reason why the core story of Nike is so strong is that they have managed to steer all of their communication towards supporting the one underlying core story of having "the will to win". As consumers, we see the biggest sport stars doing what they do best, wearing Nike products. Likewise, each of them, in their own way, embodies the winning mentality that Nike wishes to associate with its company and products. Internally, different sets of stories are being told, but they too support the core story. The following anecdote is about the legendary track coach, Bill Bowerman, who together with Phil Knight, founded Nike:

"As a track coach Bill Bowerman was in every sense of the word a winner. He saw it as his personal mission to provide his athletes with the best possible conditions, including giving them the best possible running shoes. But Bowerman was not satisfied with what was available on the market. For some time he thought about what he could do about it. Then, one morThe most effective use of storytelling as a branding tool is to adopt a holistic approach. ning in 1971, as his wife was making waffles, it hit him. In their distinctively shaped pattern, Bowerman saw the basis for a new breed of strong, flexible running shoe sole. When he got home the next day, he took the waffle iron from the kitchen and locked himself in his study. Here, he experimented by pouring liquid rubber into the waffle iron and slowly developed the magic formula for the new sole. Bill Bowerman's experiments with the waffle iron in his study paved the way for the characteristic Nike 'waffle sole' that can be found on many of Nike's classic running shoes."

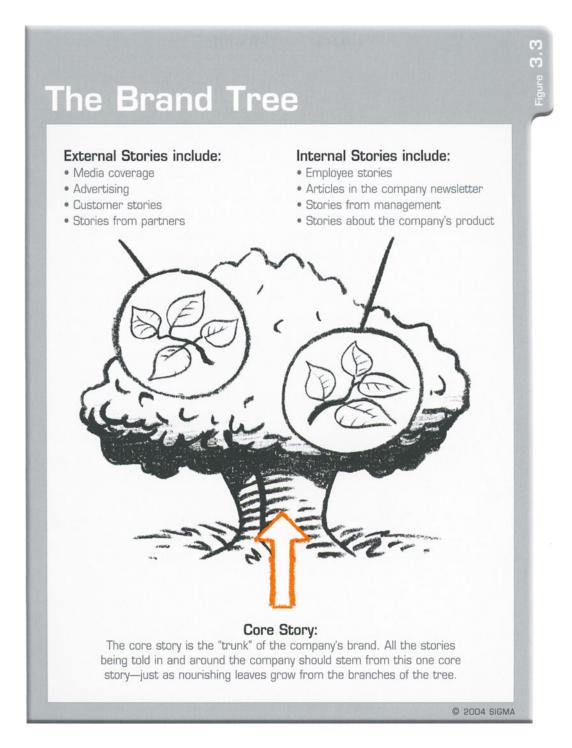
This small anecdote may be a far cry from the modern TV commercials starring Ronaldo. But it still strikes at the core of what Nike is all about: being the best *no matter what*. In order to be the best you have to be innovative, think outside the box and challenge conventions. Nike uses storytelling both internally and externally as a tool to support their key message. This kind of consistent interplay between the company's core story and the individual's "hands-on" stories, lie at the heart of creating a strong brand.

The Brand Tree

Figure 3.3 illustrates how to build a strong, long-term brand through holistic storytelling. The solid trunk of the tree represents the company's core story—its foundation—ensuring consistency in all company communication both internally and externally, thus differentiating it from its competitors.

The job of company managers is to safeguard and nurture the stories and anecdotes that spring from the core story; just as branches and leaves spring from the trunk of the tree. The more actual stories are told about the company that support its values, the more they will nourish the company's core story. Just as leaves give nourishment to the tree.

The job of company managers is to safeguard and nurture the stories and anecdotes that spring from the core story.



The interplay between these two dimensions is the starting point for companies in their work with storytelling in the branding process. In this chapter we have gone into detail on the basic principles of the storytelling concept, on which the remainder of this book rests. Storytelling can be employed both as a branding concept and as a communication tool, and has both a strategic and an operational dimension. The interplay between these two dimensions is the starting point for companies in their work with storytelling in the branding process.

With this in mind, we are ready to set sail and embark on our journey into the storytelling universe. The next chapter centres on how a company can develop the core story for the corporate brand. Chapter 5 describes how to find the concrete stories and anecdotes that activate and communicate the core story. The rest of the book presents many different case studies—all about how storytelling can be used as a communications tool to strengthen the company's brand internally and externally.





In order to stay in the game, companies need to work with their brand as if it is a continually unfolding story. This chapter takes a closer look at how companies can use storytelling as a strategic branding tool and at how they can develop the core story of their brand.

"Once upon a time a man out on his morning stroll came upon three bricklayers busy at work. The man was curious to know what they were building and asked the first bricklayer what he was doing. The bricklayer replied irritably that he was busy laying bricks. What did it look like? Since this really gave the man no further insight into what they were building, he went on to ask the next bricklayer. The bricklayer gave him a quick glance and answered that he was busy building a wall. The man moved on and reached the third bricklayer who was whistling merrily. He decided to ask one last time. The bricklayer stopped working, mopped his brow and replied proudly: "I'm building the town's new cathedral."

This story shows how important it is to our motivation and self worth, to know that our efforts contribute to something with a deeper meaning. In a simplified way, it shows why it is so important for companies to have a core story—something that becomes a motivating beacon for employees, and ensures the company communicates a clear and consistent message.

Building a Foundation Starts From Within

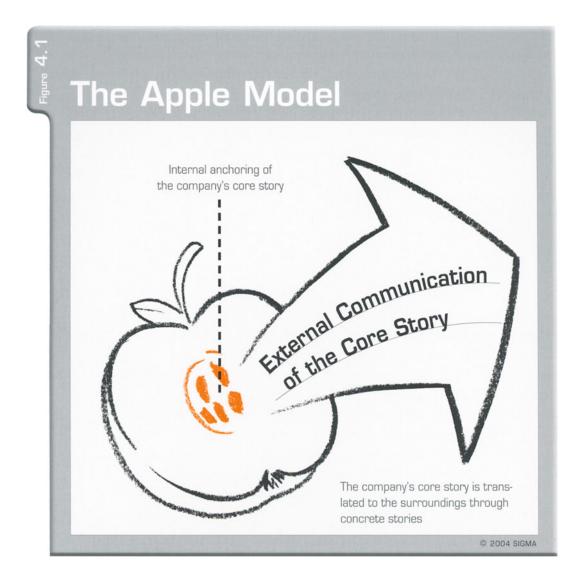
For management, the first step in developing the company's core story is to create *a shared mental image* of the company's

reason for being. This image needs to address both head and heart, and it must clearly define the path the company is treading: one that enables employees to feel they make a difference. In this respect, it is not enough to simply strive for higher profits, or, to become the biggest fish in the pond. Who can honestly say that they get really deep satisfaction just by lining their stockholders' pockets? To get the feeling of adding value, there must be a cause or belief that propels the company forward: *a driving passion*. If employees can identify with the company's core story they will also proudly share that story, just as the bricklayer shares the story of the cathedral he is helping to build. It makes him feel part of something far greater and more valuable than laying bricks alone.

After all, why should customers be expected to be loyal to one company as opposed to another if even the company's employees are not able to explain how their company makes a difference?

A strong brand always starts with its employees, if it is to have a long-term effect externally. If Nike's employees were unable to identify with and advocate their belief in having "the will to win" by constantly pushing themselves to develop new and better sporting equipment, it would only be a matter of time before the high profile commercials would seem shallow. Sooner or later it would backfire. Because of their close relationship with the company, employees are the single most important ambassadors of a company brand.

The Apple Model (figure 4.1) shows how internal ownership of the company's core story forms the basis for external communication. Who can honestly say that they get really deep satisfaction just by lining their stockholders' pockets?



A company's quest in business in many ways resembles the fairytale where the handsome prince rides off to rescue his damsel in distress and lives happily ever after.

The Perilous Quest of Companies

Again, the classical fairytale provides useful inspiration for companies looking to develop their core story. A company's quest in business in many ways resembles the fairytale where the handsome prince rides off to rescue his damsel in distress and lives happily ever after. Instead of a princess of course, companies are usually fighting for an idea, e.g., Apple Computer fights to provide us with the means for creative expression through user-friendly digital technology. In the business world it is not dragons and demons that stand in your way, but still, the adversary can take on many guises. It could be "diabolical" competitors, or it could be the companies themselves—those lacking the ability to innovate, for example, or those battling against negative public opinion that must be swayed if they are to survive.

Using the principles of storytelling helps a company to paint a picture of a challenge, or an "adversary", that employees need to overcome through teamwork, by applying their own unique skills, or through some kind of "heroism". It is well known that a shared challenge or enemy creates a stronger sense of togetherness. It reinforces the spirit and culture of the company, at the same time sending a clear message of what the company's values are to its wider surroundings.

By using a story as their strategic focal point, management has a more acute means of motivating employees, and letting the environment know exactly how their company makes a difference. The following example shows a strong core story that really was centred on a perilous quest.

NASA's Core Story

The United States space program, embodied by the National Aeronautics and Space Administration, NASA, achieved dramatic results in the 1960s, thanks in no small part to the fact that NASA employees had a clear-cut and very compelling core story that they could all relate to. This change in outlook occurred during the early part of the decade, when President John F. Kennedy announced to the world that the United States would be the first nation to put a man on the Moon, and that they would do it before the end of the decade.



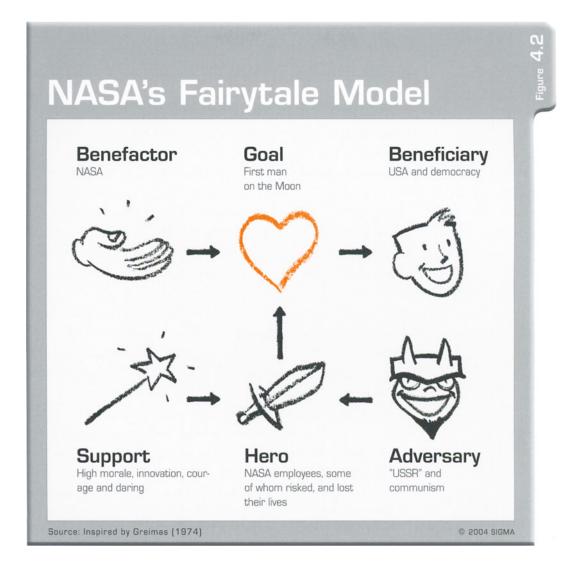
CASE

By introducing the possibility of sending a man to the Moon, President Kennedy created a strong, shared vision that made sense both to NASA employees as well as to the American public. It triggered dreams of achieving the impossible. Meanwhile, back at NASA the story captured the hearts and minds of employees, creating a shared value system based on innovation, creativity and refusal to compromise. Values that were essential if this dream were ever to come true. Externally, Kennedy could justify significant increases in public spending on space exploration, and throughout the 1960s, the NASA brand became synonymous with the dream of journeying to the Moon.

Kennedy's story had a clear-cut conflict. There was no mistaking the identity of the adversary: the USSR and communism. And the hero? NASA of course—defender of democracy. The story also had a clearly defined message and a clearly defined goal that would require an extraordinarily heroic effort to be achieved. In a race against the clock, the dream shared by President Kennedy fired up employees of NASA to bring out their strongest characteristics: steadfastness, creativity and above all courage. Many sacrificed their lives on this long and perilous quest. But in 1969 NASA achieved the impossible, as the first human being, Neil Armstrong, set foot on the Moon. The USA had won a mighty technological and ideological victory over the dragon from the "USSR".

Regardless, in the years after this magnificent achievement, NASA's core story began losing the conflict on which it was built. The quest that NASA fought to achieve—to put a man on the Moon—had been accomplished. Pressure from the Russians had dissipated. Without communism to defeat, or the Moon to land on, NASA's purpose became clouded. Ever since the end of the Cold War, NASA has faced an increasing relevancy crisis. Space travel has become almost routine and NASA has made no new breakthrough discoveries.

Throughout the 1960s, the NASA brand became synonymous with the dream of journeying to the Moon.



New generations that never watched the Moon landings in 1969 are only vaguely aware of what the space programme actually does, apart from sending astronauts into orbit or making occasionally fatal shuttle launches. All signs indicate that it is time to reinvent this spellbinding story, at the same time revitalising the NASA brand both internally and externally by delivering a story that clearly shows why NASA remains relevant now and will be in the future. The case of NASA shows the strength in purposely thinking of brands in a captivating story context that embodies vision, mission and values.

Values in themselves are just words, devoid of any real content. The case of NASA shows the strength in purposely thinking of brands in a captivating story context that embodies vision, mission and values. It also illustrates that a core story cannot last forever. There will be times where it is necessary to reinvent a company's core story in order for it to remain relevant for both employees and the society at large.

From Values to Story

Seeing storytelling as a strategic tool triggers a natural evolution in the traditional thinking behind brands. When the classical branding concept is fused with the logic of storytelling, we move from perceiving a brand as a set of *brand values* to working with the brand as a living *core story*.

The explanation is simple. Values in themselves are just words, devoid of any real content. When a company's values are presented as a list of bullet points in the annual report, at executive meetings or in an image brochure, they become anonymous and irrelevant, speaking to the mind but not to the heart. When you tell a story, on the other hand, those terms come to life through powerful images and place your values in a more dynamic context. Bingo! Suddenly everyone knows and understands what you are trying to say, because you're giving them something that they can actually apply in daily life.

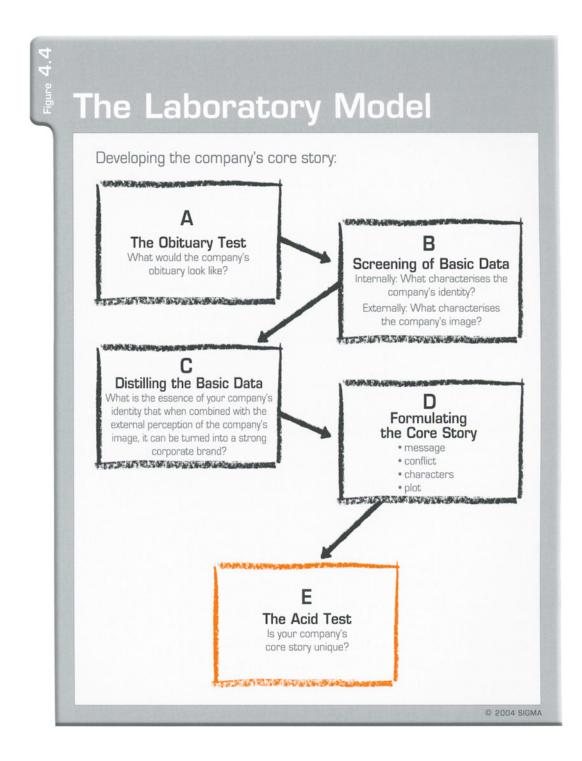
Figure 4.3 illustrates the development in the perception of brands. Effectively, a core story equals *brand values* transformed into a single, unifying and meaningful message, an expression of the corporate culture. Basically, they are wrapped up in prettier, more easily digested packaging. It is unlikely that President Kennedy's message would have gotten the same results, had he just pushed NASA to work harder and left it to the American public to pay the bill. Instead, he got people involved by capturing their imaginations, at the same time increasing motivation and spurring growth in the American economy. The remainder of this chapter takes a closer look at how companies can start developing a strong core story for their brand, starting with a trip to the lab.



StoryLab: Developing the Company Core Story

Imagine yourself dressed in a white lab coat and protective glasses, surrounded by test tubes and sizzling flasks. You are in fact standing in the laboratory for storytelling: StoryLab. Armed with the four basic elements of storytelling, it is time to start experimenting with the core story of your company—the strategic communication platform for your company's brand. It must express your company's distinctive character. Why are you here? What are you fighting for? What would the world be like without you? In short, it is about finding out your company's reason for being.

It is about finding out your company's reason for being.



The experiments carried out in the StoryLab are intended to plant a seed that will grow into a strong basic framework—a tree trunk—for your company brand. With the four elements of storytelling, you already have some of the ingredients necessary to put you on to the right path. But first you have to do some solid groundwork.

The Laboratory Model (figure 4.4) illustrates the process of developing the company's core story, while the remainder of this chapter will discuss each step of the process in detail.

Would Your Company Be Missed?

It may sound morbid, but the Obituary Test is crucial in identifying and formulating the company's reason for being. This is precisely what the core story must express if it is to concisely communicate the company brand.

Most of us have had the unfortunate experience of being dumped by a lover—a classic case of not realising what you've got until it's gone. All too often, it is only when we have lost what we really cared about, that we realise how special it was. The Obituary Test is centred on this argument, forcing the company to take a long, hard look in the mirror and honestly consider what, if anything, would be missed should the company die.

It is not the most pleasant of tasks, granted, but the Obituary Test is the most effective means of starting the process.

It is worth keeping the Obituary Test in mind throughout the entire process of finding your core story. When push comes to shove, a strong brand is all about making a difference, and this will be your guiding reference point throughout your journey through StoryLab. Honestly consider what, if anything, would be missed should your company die.

TEST



The Obituary Test

To begin: Write down your company's obituary.

How would the obituary read if your customers were to write it?

How would the obituary read if your competitors were to write it?

Some useful questions: What would the world look like if your company did not exist?

If your company were to close tomorrow, who would miss it? Why?

Has your company made any real difference for its stakeholders?

CASE



Coca-Cola's Real-life Obituary Test

Entirely by accident, the world's leading brand, Coca-Cola, came very close to taking a real-life Obituary Test back in 1985, when it decided to change its original formula.

The early 1980s found Coke dangerously close to losing the cola war to Pepsi. In fact, Coke's market share in the US had been shrinking for decades, from 60% just after World War II to under 24% in 1983. Worse, carefully monitored blind taste tests showed that in more than half the cases, people preferred the taste of Pepsi. Coca-Cola's solution was to introduce a new secret formula that tasted smoother and sweeter than the original. More like Pepsi, in fact. The Coca-Cola Company spent \$4 million on market research and tested it on 200.000 blind tasters. It was a winner. People liked the new Coke far better than either the original Coca-Cola or Pepsi.

On 23 April 1985, Coca-Cola introduced the new formula

marking the first formula change in 99 years, at the same time ceasing production of the original formula. The "old Coke" was gone forever...

The reaction from consumers wasn't, however, quite what Coke executives had expected. There was outrage. Consumers quite literally panicked, filling their basements with cases of original Coke. One man in San Antonio, Texas drove to a local bottler and bought \$1.000 worth of Coca-Cola. Calls flooded in to the toll-free 800-GET-COKE phone line, and to Coca-Cola offices across the United States. By June, the Coca-Cola Company was getting 1.500 calls a day on its consumer hotline, compared with 400 a day before the big announcement. People seemed to hold any Coca-Cola employee personally responsible for the change.

Of course, the executives had to take their share of the beating. CEO Roberto Goizueta received a letter addressed to "Chief Dodo, The Coca-Cola Company". Another angry customer wrote to him asking for his autograph because, in years to come, the signature of "one of the dumbest executives in American business history" would be worth a fortune.

Pepsi, naturally, jumped on the bandwagon and gave all their employees the day off to celebrate, on the premise that by changing their formula Coca Cola had publicly admitted that it wasn't "the real thing". Around the country protest groups popped up with tag-names like Society for the Preservation of the Real Thing and Old Cola Drinkers of America, which claimed to have 100.000 supporters, all of whom demanded the "old" Coke back.

The Coca-Cola Company got the hint. On 11 July 1985, the "old" Coca-Cola formula was returned to store shelves as Coca-Cola Classic. The story made the front page of virtually every major newspaper. The television network ABC even interrupted the soap opera *General Hospital* to break the news. In just two days after the announcement, the Coca-Cola Company received 31.600 telephone calls on its hotline. Anger melted into forgiveness, and then turned to celebration.

Looking back on this incident, one can't help wondering what on earth Coca-Cola executives were thinking. To put it simply, they made the mistake of focusing only on the physical feature of the product—the taste—while completely ignoring the emotional attachment forged between the brand and the customers. They had forgotten the fact that Coca-Cola had been an integral part of American life for more than a century. That it was part of the American identity. Coke is much more than a cola-flavoured drink; it is an American institution—a national icon.

It took the loss of the beverage they had grown up with and fallen in love over, to remind Americans how much it meant to them. Gaye Mullins from Seattle, Washington and front man of the activist group Old Cola Drinkers of America said simply; "They can't do it. It's un-American. We've fought wars to have choice and freedom. I couldn't have been more upset if they'd burned the flag in my front yard". At a press conference announcing the return of the original formula, Donald Keough (then the company's President and Chief Operating Officer) admitted, "The passion for original Coca-Cola-and that is the word for it, passion-was something that caught us by surprise. It is a wonderful American mystery, a lovely American enigma, and you cannot measure it any more than you can measure love, pride, or patriotism". Coca-Cola Classic kept gaining popularity and by early 1986 it had reclaimed the cola crown from Pepsi. 🗖

There are not many brands that would be missed the way

people missed the original Coke. Still, think about it. Would anyone even bother if your company or your product were gone tomorrow? Or would your customers just move next door to your competitor without giving it a second thought? If not outraged, how would people react if your company were gone? What would they miss? This question is key in getting to the core of what your company is all about. Coca-Cola learned the hard way, unlike another classic brand, Burger King, which several years later staged the ultimate obituary test.

Whopper Freakout

In 2007, Burger King took it upon themselves to create a marketing stunt strongly influenced by the old Coca-Cola case. The only difference was that everything was planned. As part of a new campaign Burger King chose to carry out a social experiment with the purpose of making the Americans' love of the Whopper visible. Once and for all it was time to prove that the classic Whopper was America's favourite burger!

They therefore declared a random Burger King restaurant a "Whopper free zone". They simply took the Whopper off the menu—for good. Or, at least this was the story staff told the many hungry customers that came to order their favourite burger that particular day. With hidden cameras at the counter, the drive-thru and at other selected spots in the restaurant, customers' spontaneous reactions to the news were filmed. Many customers simply freaked out, demanding to see the manager immediately. Other, more nostalgic types with childhood memories of the Whopper were chocked—they simply couldn't believe their ears.

These reactions were boiled down into an eight-minute short documentary launched at the micro site, www.whopperfreakout.com, and later marketed in a national television campaign. The film became a viral success with over four million online



viewers throughout the campaign period. Furthermore, the campaign impacted sales in Burger King restaurants worldwide with Whopper consumption up by 29%. Moreover, fewer customers visited the competing burger restaurants.

With a remarkably well-staged social experiment, Burger King succeeded in showing that the Whopper is much more than just a burger, it's a piece of American culture. Indeed, the burger chain's marketing stunt hit home in underlining the core of their company. This is exactly why the Obituary Test is a vital kick-off in the development of your company's core story.

At the end of the day, a strong brand is about making a difference. With this in mind, we can proceed to the next phase of the trip through the StoryLab: gathering and screening your company's basic data.

Screening the Basic Data

When it was first revealed that the Earth was not in fact the centre of the universe, it caused outrage among the authorities and scholars of the time, and did not do much for the popularity of Galilei. Today, we know that Galilei was right, but he took a huge risk in challenging the conventional thinking of the time. It takes the same kind of courage as a company goes in search of its core story. In the process, you will most likely have to face some hard truths, and revise entrenched beliefs about how the company culture works. But in order to find the core story, your company must gain a solid understanding, warts and all, of its situation and how it is perceived, both internally and externally.

Internal Basic Data

In order to define your company culture—basically, your *identity* within your business—you need to find out what makes it tick internally, which in turn, provides the foundation for your

In order to define your company culture you need to find out what makes it tick internally. company's core story. The following areas are fundamental to this process:

1. Company vision, mission and values

What is your company mission and what is the vision behind it? What values does your company consider to be most important and why? How do those values manifest themselves in actual company activities? And how are they communicated internally and externally?

2. Company milestones

How can you factually describe the company's historical development? Why was the company founded and what were the circumstances? Which have been your company's most significant events, failures as well as successes? What anecdotes about important people and events are still being told within company walls?

3. Employees' stories

What do employees say about the company? Which stories do they tell about the workplace? Which stories do they share in their coffee breaks? Which events and experiences do employees use to describe the company? What is it that makes the company a special place to work? Where do employees feel that the company makes a difference?

External Basic Data

One purpose for screening your external basic data is to map the company's position in the market and to identify your strategic opportunities and challenges. Its primary purpose is, however, to find out what kind of image your company has in the hearts and minds of your customers, and the environment at large. Here, the following areas are relevant:

One purpose for screening your external basic data is to map the company's position in the market.

1. Market trends

How do current market trends manifest themselves? What do they mean in terms of where your company is positioned now? What does the market of the future look like?

2. Customers and key decisionmakers

What stories are your most and least loyal customers telling about your company? What do your competitor's customers say about your company? How is your company positioned compared to other suppliers on the market? Who are the actual decisionmakers in the market—and which factors are decisive parameters for their actions?

3. Partners

What are your key partners saying about your company? What projects have been solved together with those partners? What do these projects say about your company's values?

4. Opinion leaders

Which persons or institutions are opinion leaders in your company's field of business? What do relevant trade and news media say about the company? Do opinion leaders from other fields of business derive any meaning or inspiration from your business practices? What do they say about the company?

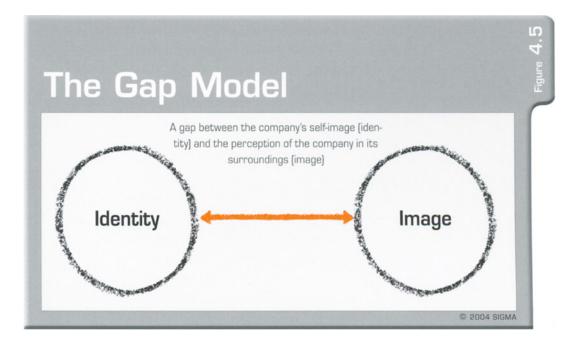
Distilling the Basic Data

Once the basic data of the company has been screened, we are left with a mass of material that has to be processed. At this point you need to cut to the quick and hone in on the true essence of what makes your company special.

The goal of the core story is to establish a consistent image of your company brand both internally and externally. In other words, you streamline the company's identity with the external perception of the company. This is the essence of a strong

The goal of the core story is to establish a consistent image of your company brand both internally and externally. brand. But before you can start developing your core story you need to know the nature of a possible *gap* between the company's identity and its public image.

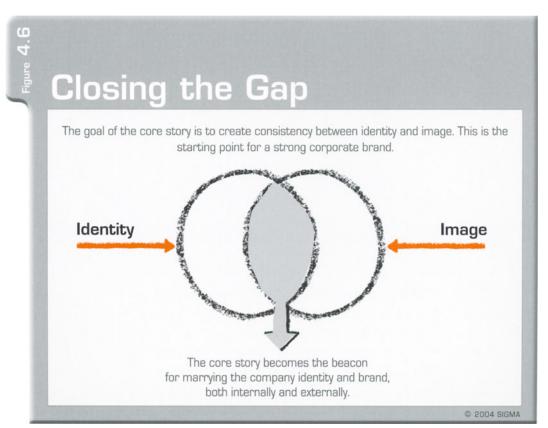
Here, it is important to identify the *differences* and *similarities* between internal and external data. Does your company's self-perception differ from public perception? Are there similarities between the way you would like to be seen and the way those in your surroundings perceive you?



Many companies will experience a visual gap between identity and image. The Gap Model (figure 4.5) illustrates a situation where the company's identity is completely different from it's public perception. There may be several reasons for a gap between the identity and image of the company. Often, it is simply a *communication problem* boiling down to the fact that the company has failed to show how it makes a difference, or adequately explain what values it holds. In cases such as these, you can identify areas that should be emphasised in future communication by distilling your basic data in order to pull your identity and image together.

Communication or storytelling can do little to help when the company fails to deliver relevant or quality products. The explanation for this gap may run far deeper, relating to *substance* or content, such as when the company fails to deliver relevant or quality products or services to the consumer. In this case communication or storytelling can do little to help. This is a fundamental problem, demanding radical changes to the company's overall business plan.

However, once you know what the differences between identity and image are, you can start working on bringing the two areas closer together (figure 4.6).



The question of *relevance* for the company's stakeholders is a vital reference point when distilling internal and external basic data. Are there common denominators in what employees, customers, partners and opinion-leaders consider to be relevant in relation to the company? If you can identify and list three criteria of relevance, which transcend the various groups, then you are well on your way to narrowing your focus and building a strong foundation for your core story that unites your company's identity and public image in one, holistic brand.

At last, the process of formulating your core story can begin. Here, it is helpful to experiment with the four elements of storytelling to ensure that your story complies with the basic rules of storytelling.

Formulating the Company Core Story

A core story must express the essence of the company's brand. It must entail the company's reason for existing. The hero in our fairytale ventures out in pursuit of happiness. Indiana Jones defies evil, Nazis and poisonous snakes in order to find the Holy Grail. NASA astronauts risk their lives to put a man on the Moon. What does your company fight for? What is its Holy Grail? If your company does not stand for something more profound than making money, then it probably does not make a memorable difference to employees or customers either.

The dynamics of a strong brand exist precisely because the company is constantly battling to overcome challenges and adversaries in order to achieve its cause. A "cause" does not necessarily mean that the company has to pursue an ideological quest, but it does mean that your company needs to make a *difference* in the business in which it operates. You need to think about what added value, experiences and dreams your customers buy into as well as the actual product or service your company offers. Basically, in what kind of story does your

The dynamics of a strong brand exist precisely because the company is constantly battling to overcome challenges and adversaries in order to achieve its cause. customer partake? Before you move on, try putting the book down for a few minutes and answer the following question concisely:

How does your company make a difference?

It can be difficult to give a short, simple answer. But it has to be simple. Supposing you are the person who knows your company best: If you cannot give a simple answer, then how can anyone else? Your first challenge is to sum up your company's core story in one sentence. Let us start the process by going through the four elements of storytelling one by one.

Your Message

Your message should not be confused with a payoff or a slogan. A payoff is a short, catchy expression that encompasses the message typically used in company advertising. For example "Just Do It" is Nike's payoff, however their message is that every game is about winning, and if you want it badly enough, with effort and determination, you too can be a winner.

Nike is fighting to help us believe in ourselves. If we believe in ourselves, throw caution to the wind and just go for it, then we can all be winners. Nike is fighting against compromise and the seeds of defeat that lie in our lack of confidence and our tendency to settle for second best. According to Nike, if we want to be the best we need to go all the way. During the Olympic Games in Atlanta in 1996, the whole city saw large billboards go up, all expressing a message in sharp contrast to Olympic ideals: "You don't win silver, you loose gold." Nike sells us the dream of victory. We can all be winners in Nike's story: we just have to be ready to do everything we can—and then some.

A message must reflect a position that can function as a common theme for the company's communication, internally and

If you cannot give a simple answer, then how can anyone else? externally. When Anita Roddick founded The Body Shop in 1976 she created a hard-hitting message to go with it. The company, and by association both employees and customers, stood for something important. Besides fighting for a number of political and charitable causes, The Body Shop took a stand against animal testing, a taboo that had plagued the cosmetics industry for years. By contrast, in The Body Shop universe, cosmetics and skincare are a guilt-free experience. It is our decision whether we are willing to suffer for beauty or not, but animals need not suffer.

To stay in storytelling jargon, you could say that the message in the company core story is the *moral* of the story. Basically, it is a company's sense of what is right and wrong. For Volvo and Volvo's customers the most important thing is not to get there fast, but to get there *safely*. It is the same story that Volvo employees stand by when they strive to develop stronger, safer cars that can handle even the toughest crash test. The same is true for Alfa Romeo, though their message is quite different from that of Volvo. The essence of Alfa Romeo's message is one of *driving pleasure*. A passion that is as much about enjoying the journey as it is about getting there. In the Alfa Romeo universe, driving is one of life's great leisure pursuits, and it doesn't hurt to look the part while you are doing it.

In essence, your message needs to mirror either your cause, or the experience you are trying to sell. For renowned Danish shipping company A.P. Moller - Maersk Group, the central message has always been that discipline, punctuality and thoroughness are the foundation of a sound business. In return, their customers can be safe in the knowledge that things are always in order. The founder of the company used to express his message in two words "punctual perfection", a term that, to this day, is firmly rooted at the heart of the company and its core story. The message in the company core story is the moral of the story. It is a company's sense on what is right and wrong. Of course, it is difficult to boil your message down to its very essence. One way to get started is to widen the question by asking yourself what your core story is actually about. Here are some inspirational examples of other company's core stories:

- · A.P. Moller Maersk Group is about punctual perfection
- · Harley-Davidson is about freedom
- · Apple Computer is about creative diversity
- · Greenpeace is about fighting for the global environment
- Virgin is about following your dream, and challenging convention
- LEGO is about stimulating children's learning through creative play
- MTV is about global youth culture
- · Volvo is about safety designed with families in mind
- Your company is about _____?

Your Conflict

Once you've decided on a possible transcending message for your company core story, the next step is to assess the level of conflict within that message. How big a difference does your cause actually make, and what are you fighting against?

Remember, it is conflict that creates the dynamics of a good story. Keep in mind that the sharper your definition of the conflict, the more dynamic your story will become. And that conflict is the barrier to be overcome in order to achieve your goal. Through this conflict, your company can make its stand while expressing its core values at the same time. Effectively, it is a question of *building contrasts and opposites* just like the battle between good and evil, sweet and sour, or fun versus boring. In the case of business, a conflict is not necessarily a negative, rather it is the catalyst for creating a distinct brand. Often it is easier to explain what you do not represent, rather than trying to explain what you do.

Through conflict, your company can make its stand while expressing its core values at the same time.

The Black & White Test

Developing a conflict is about defining two opposites. Defining the complete opposite of your brand—everything that it is not can help to close in on the company core story. Here are a couple of examples:

Apple Computer: Creative diversity >< Anonymous uniformity

Nike: The will to win >< Losing

The LEGO Company: Creative play >< Passive entertainment

Virgin: Challenging the establishment >< Business as usual

IKEA: Making quality design accessible to everyone >< Design for the few elite

Your company?

Without conflict, it is incredibly difficult to build and maintain a strong core story. If what your company is fighting for constitutes customer needs that have already been met, there is no strong adversary to drive the story forward. You could say we would not need Nike if we were all born winners. You need to face reality and reassess where your brand is heading.

Charitable organisations fighting for human lives in the Third World have plenty of built-in conflict. The same is true of the small company challenging the dominating giant. The small state-owned brewery Budvar, from the city of Budejovice in the Czech Republic, illustrates this point precisely. For more than

TEST



a century, Budvar has been selling their beer under the name of Budweiser, just like Anheuser-Busch. This wasn't a problem until the fall of the Berlin Wall saw Anheuser-Busch expanding into central and eastern Europe, and Budwar expanding into western Europe, leading to a year-long battle over legal rights for the trademarks Budweiser and Bud.

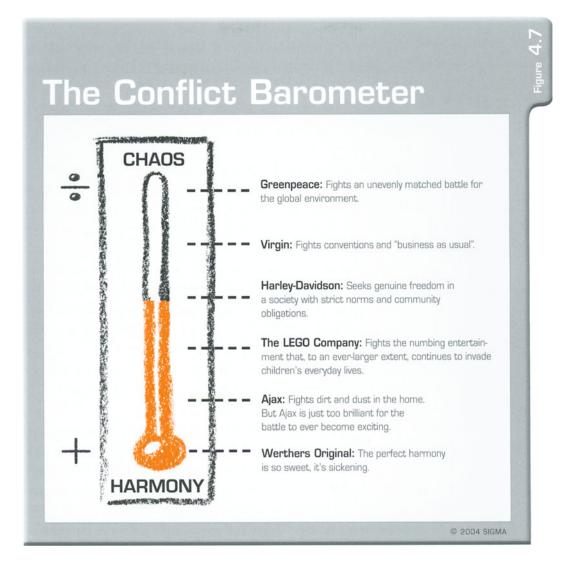
The dispute has often been reported as a classic David and Goliath case, in which the evil western multinational corporation oppresses the plucky local producer. Budvar admits the long-running battle has helped define their brand strategy, enabling the company to tap into other markets that would have been otherwise difficult to penetrate. It has also given consumers an interesting story to talk about in the pub, generating further loyalty: the local Czech brewery that cherishes traditional brewing methods versus the global money machine from America. Who would get your support?

It is rare to find such clear-cut conflicts. The quiet paper mill out in the countryside, just going about business as usual has little potential for conflict. Neither is there much conflict in a company that sells exactly the same thing as everybody else. Yet there are many such companies doing exactly this, often built on the promise: "You'll feel *a bit* better doing business with us". This simply makes no difference. "You'll feel *a bit* better" is the message of a typical *me-too company*, which has not taken a stand.

The Conflict Barometer

Take another look at the Conflict Barometer introduced in chapter 2, and try to place your company core story on the axis (figure 4.7). This gives a decisive visual indication of your conflict's strength.

"You'll feel a bit better" is the message of a typical metoo company, which has not taken a stand.



Dreams also make a good driver in a core story. It may be farfetched to claim that Harley-Davidson is fighting for a cause, but there can be little doubt that the renowned American motorcycle manufacturer is selling a dream. Harley-Davidson's concept of freedom is contrasted by the norms that society places on us, and the obligations that follow. This is where the Harley-Davidson conflict lies: Life on the open road versus the straightjacket of "normal" life. The conflict lies in the tension rich field between freedom and prison, and appeals to all who believe in the American Dream. Harley-Davidson is as much a symbol of Americana as Coca-Cola.

Is it possible to create conflict, even in a company selling a dream of domestic bliss and an old-fashioned lifestyle? Hovis Bread, for example, sells nostalgia. We dream ourselves back to the country where we could enjoy the home-baked bread of the village baker. On first sight, it doesn't seem to hold a lot of conflict. But, in a modern society of affluence and plenty, stricken by complications and stress, we often seek comfort in the good old days of our grandparents, believing that life was easier back then. Those comforting memories are in stark contrast to the anonymous and stressed life of modern society, where rapid developments create uncertainty as to what the future will bring.

Most companies sell goods or services that aid us in our struggle to attain a better, easier or more fun life. This doesn't mean the happy times will last forever, or that the journey will be easy. The road is often long and difficult. Sometimes, the desired state can only be achieved in our imagination, which is what makes it a dream in the first place. Take the Lottery for example. Week in and week out they sell us the dream of what could be, if only we hit the jackpot. But in reality, only one in many millions ever gets lucky. The rest of us are left dreaming, and buying into that dream over and over again.

Another way to zero in on the conflict of the core story is to ask which dream you would like to sell to your customers? Which

Is it possible to create conflict, even in a company selling a dream of domestic bliss and an old-fashioned lifestyle? longing or desire does your company provide customers with the opportunity to pursue? This is another means by which you can identify the conflict in your core story, as well as the outline of the cause or dream that your company fights to achieve.

Either way, the song remains the same. You must be passionate about making a difference. You have to have the courage to step on some toes along the way. The old saying still holds true: Trying to please everybody makes nobody really happy. And if you do try to make everybody happy, your message is likely to become so weak, that it will become irrelevant. You need to make a choice, even though you may loose a few customers along the way. By contrast, with a strong core story firmly in place, you are likely to gain a far more loyal customer base than ever before.

Remember the Obituary Test? Would your customers notice if your company suddenly no longer existed? If they believe that your competition can offer the exact same thing as you, the likely answer is "no". If this is the case, you can assume that your company has not succeeded in delivering the added value that addresses your customers' feelings and that transcends the physical product. The bottom line is that there is no story for them to identify with and remember.

Your Characters

Having addressed the issues of message and conflict, it is time to look at the next step in the laboratory process: casting your story. A classical cast of characters provides a well-proven structure for driving any story forward. Using the Fairytale Model introduced in chapter 2 as a starting point, it is reasonably easy to make a rough outline of the company's key characters: The old saying still holds true: Trying to please everybody makes nobody really happy. Goal:

What is your company's cause? It is not sufficient just filling the coffers of your stockholders. Passion must be your driving force. Your company must strive to make a difference.

Adversary:

What or whom is your company up against? Your adversary can take on many forms, shapes and sizes. It can be found both internally (e.g., lack of innovation) and externally (e.g., pressure from competitors).

Hero:

The company will often take on the role of hero in its quest to get the princess and half the kingdom. What are the traits of the hero? Remember, your hero can also be the customer seeking to achieve a goal.

Support:

The means and tools needed by the hero to reach the goal often play the supporting role. In short: How will your company go about defeating the dragon? If the customer is the hero in the story, the supporting role can also be filled by the product or service that helps the customer to fulfil his or her dream.

Benefactor:

The company often takes on the role of benefactor (as well as hero) by helping customers fulfil their dreams.

Beneficiary:

The beneficiary is the person, or people, who benefit from the hero achieving his or her goal. Typically the customers take on this role, benefiting from the company's efforts in its struggle to achieve its goal.

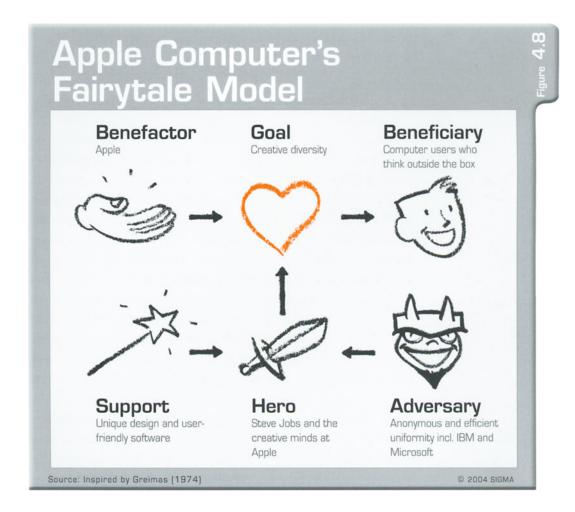








Each individual role must be as clear and concise as possible in order to achieve a dynamic and captivating story. Below, a break-down of the core story of Apple Computer shows how individual characters are clearly defined.



Once your characters are established, the task falls to making each of them as well defined as possible. Just like the hero in a fairytale, your company also has a set of skills and passion driving it towards its goal. In order to make the role of the hero more pronounced, it can be useful to look for some well-known images to describe your hero's personality.

The Classical Hero

Greek mythology is the scene for an astonishing array of classical heroes. Homer's classic, The Iliad, recounts the Greeks' yearlong war against Troy. His heroes are out in full force and in all their glory. Hercules, son of the god Zeus, takes on the role of the brave and valiant hero. He is the strongest and most fearless of all the Greeks, and can solve the most impossible tasks. Odysseus is the adventurer, who on his ten-year long journey home from Troy encounters all kinds of imaginable and unimaginable challenges, including an encounter with the one-eyed Cyclops. The Greek commander Agamemnon is your archetypical ruler who single-mindedly charges ahead, dominating his surroundings. Achilles, on the other hand, is the archetypical rebel. In the story, Achilles dares to defy the great Agamemnon, challenging his ruling power by following the beat of his own drum. Among the Greeks, Nestor represents the wise hero. In Greek mythology age and wisdom are often one and the same, and Nestor is the oldest of the wise men. When he speaks everybody listens. Even the most powerful commanders dare not object. The greatest of the Trojan heroes, Hector–slain by Odysseus-is portrayed as the caring hero. Before going off to war he says an emotional goodbye to his family and comforts his weeping child. Another Trojan, Paris, takes the role of the archetypical lover. A hot-blooded and seductive warrior, he abducts the fair Helena and marries her, despite the fact that he is already married to another.

The point is that each hero has a strong set of personal skills and character traits. Each represents a set of values and is driven by his or her passion. Some seek freedom, rebellion or adventure; others seek love, caring and acknowledgement. The classical hero figure thus appeals to very basic wants and needs that are deeply embedded in human nature. It is no wonder that the hero figures of ancient Greece are still alive and well in today's world. Just take a look at the entertainment industry. Here, the adventurer, e.g., Indiana Jones, the lover, e.g., Penelope Cruz, and the rebel, e.g., Jack Nicholson, are used time and again in slight variations on the same theme. Figure 4.9 outlines the most common hero profiles and clarifies the type of hero the company becomes in its core story. By using these profiles as a point of reference, your company has an alternative tool for describing its values. The hero figure literally adds flesh and bones to the company's role in the story universe. At the same time, it also sheds light on the conflict and the passion that drives the brand forward.

For a company, the challenge is to place itself within just one of these hero profiles, though some of these frameworks do overlap. For example, your hero can be both rebel and adventurer. Richard Branson and his company Virgin are a great mix of the adventurer and the rebel. The important thing is to narrow down your selection and stick with the hero figure you identify within your company. It also helps to consider the hero from the customer's perspective. Will your customer be able to identify with the personality of the hero? Are your hero and customer searching for the same thing—be it adventure or rebellion? Each hero represents a set of values and is driven by his or her passion.

The hero figure literally adds flesh and bones to the company's role in the story universe.

			Heroe
Hero figures	Characteristics	Goal	Opponent
The Brave Hero i.e., Nike and Red Cross	Brave and headstrong with a firm belief in him/ her self	Fighting for a better world—believing everyone can be a winner	Fear, weakness, and evil at large
The Lover i.e., Alfa Romeo and Penelope Cruz	Hot-blooded and sensual	Following your heart —satisfying your emotional needs	Reason, or lack of passion
The Adventurer i.e. Virgin and Indiana Jones	Curiosity and daring	Exploring the world, jour- neying into new territory	Narrow-mindedness an the constraints of daily life
The Creator i.e., Steven Spielberg and the LEGO Company	Imagination and creativity	To create and develop new ways of expressing oneself	Repetition and passiveness
The Joker i.e., M&M and Jim Carrey	Humour and joyfulness	To entertain others and enjoy life	Boredom
The Innocent i.e., Disney and Meg Ryan	Honesty, innocence and a big heart	To uphold truth and justice	To do wrong
The Magician i.e., 3M and Harry Potter	Full of ideas and surprising	Making dreams come true and showing that nothing is impossible	Stagnation, or lack of control
The Rebel i.e., Harley-Davidson and Jack Nicholson	Rebellious and uncompromising	Going against the grain and breaking the rules	The system and dominating norms
The Ruler i.e., Mercedes and Bill Gates	Ability to lead, authority and class	Gaining control, security and order	Rebellion and disorder
Everyday Hero i.e., John Goodman and People magazine	Earthbound and straight- forward	To find tranquillity in being part of the community	Lack of accept- ance from your surroundings
The Caregiver i.e., Volvo and Mother Teresa	Caring and giving	To support and help other people	Selfishness
The Wise Hero i.e., Barnes & Noble and Albert Einstein	Intelligence and expertise	The search for truth and exploring life's great mys- teries.	Ignorance and lies

Your Plot

With your message, conflict and cast of characters in place, it is time to put the final element, the plot, in place. Because a company's core story is a strategic platform for communication, it must be presented in a way that can be translated to actual stories in many different contexts. It is, therefore, difficult to speak of *plot*, as such. Nevertheless, it can be a good internal exercise to try and tell the core story as a fairytale, simply to see if it works in accordance with the principles of storytelling. By telling your core story in this way, your company is placed in a sequence of events that can be easily understood.

The Acid Test

Having developed your core story—a clear formulation with a strong message, conflict and a clear cast of characters—we face the final and decisive test: the Acid Test.

The Acid Test determines whether the company's core story is unique in relation to its competitors. If we picture ourselves standing on a hilltop, overlooking the world of brands, closer inspection will reveal that a large number of companies are basically the same, representing the same core story with only very slight variations in packaging. What is the difference between Thomas Cook and Lunn Poly? Like most charter companies they are built on a story of families sharing good times together in the sun without a care in the world.

If your company decides to communicate a core story that looks just like the one being told by your competitors, it should only be on the basis that you have a better and more credible way of communicating that particular story. A core story should leave room for interpretation when it is translated into actual stories and campaigns; therefore, companies often compete for ownership of the same core story. Think about the many credit card companies including American Express and Diners Club, who It can be a good internal exercise to try and tell the company's core story as a fairytale.

The Acid Test determines whether the company's core story is unique in relation to its competitors. compete for ownership of the story about "the ultimate individual freedom to do whatever you want, whenever you want it."

With the Acid Test, we're talking make or break time. All your competitors' core stories and communication must be included in the comparison. If the core story your company has developed turns out to be too generic, you need to take another trip through StoryLab.

TEST



If Your Company Was a Fairytale

What kind of fairytale would it be? Can you find a classic fairytale that is similar to the core story your company would like to represent? The advantage of using well-known fairytales is that we can all relate to them. Here are a few examples:

David and Goliath:

The company is small and flimsy compared to its competitors, but thanks to determination and effort, it is able to challenge the big boys and emerge victorious—against all the odds.

The Hare and the Tortoise:

Rather than mindlessly following every new trend, the company prefers to follow a tried and tested course one step at a time—the results will follow.

Dennis the Menace:

The company is characterised by its unconventional and capricious approach that sometimes shocks, often surprises but never, ever bores its customers. The Company is well liked because it acts honestly and with good intentions, without being fuddy-duddy.

Robin Hood:

The company fights for justice. Even though it is relatively obscure, it is not afraid to battle against the dominating forces in the market: forces that have created a monopoly, which do not benefit the consumer.

The Ugly Duckling:

The company that started out as the black sheep that nobody thought would ever amount to anything. Regardless, with unwavering belief in its qualities and skills, it has become a force to be reckoned with, surprising and impressing even its harshest critics.

Carlsberg Boosts the Team

Carlsberg Denmark is one of the world's largest brewery groups and the leading Danish manufacturer and distributor of beer. In 2005, Carlsberg Denmark was faced with a huge cultural challenge. Due to mergers with two other large companies, first in 1970 and again in 2001, the company was divided into three separate departments with three separate cultures. Internally, the silo mentality was thriving and every department's employees competed against each other. They even spoke of their colleagues as "the others". The division was clear: each culture had its own values, objectives and even its own cafeteria.

Carlsberg Denmark's division began to show on the bottom line—the company was loosing market share. Not only were their consumers turning their backs on beer in favour of wine and mixed drinks, they also complained about poor service. Instead of Carlsberg beer, they started buying foreign beer and microbrews.

A global employee satisfaction survey revealed that Carlsberg Denmark was rated far down the list compared to the other



The division was clear: each culture had its own values, objectives and even its own cafeteria. Carlsberg organisations around the world. The Danish employees were frustrated over the lack of a common culture and requested a reason for continuing to work in one company. In other words, they didn't see the point of working in an integrated company if the three departments didn't have anything in common. Carlsberg Denmark was stuck. As a result they called for reinforcements to help them tear down the silos and find the true core across the organisation. They knew that in order to focus on their external challenges, they had to start from within.

Searching for Carlsberg's Core

The initial research of finding a possible common Carlsberg Denmark culture began. Several of the employees and customers were interviewed and asked to describe the advantages and disadvantages of the current arrangement in daily life. Top management from Carlsberg Denmark, as well as a working group consisting of good ambassadors from the different cultures, were set up as a taskforce for the culture project. They, too, were asked to describe the advantages and disadvantages. Afterwards, the answers were compared to the research—80% of the attitudes were the same!

After 2.700 hours of additional interviews with employees, customers and stakeholders—horizontally as well as vertically—a direction for the common culture of Carlsberg Denmark began to appear. One of the big stories was about how Carlsberg Denmark had helped a small, new microbrewery one summer when all of the brewery's beer was infected with bacteria. Coincidentally, earlier the same year, the owner of the microbrewery had run into the manager of maintenance of Carlsberg Denmark. In the middle of the street the manager had offered his assistance and know-how in case the microbrewery should ever need it. This chance meeting turned out to be crucial for the microbrewery's survival. When the small brewery was infected with bacteria, the owner immediately called the manager of maintenance who, without hesitation, showed up at the microbrewery and helped localise and solve the problem.

The story about the helpful manager of maintenance turned out to be a reflection of the culture in Carlsberg Denmark. Due to his attitude and behaviour, the manager had acted according to the spirit in Carlsberg—a spirit based on sharing knowledge and experience for the benefit of the common good.

Anchoring the Core Story of Carlsberg

Because of authentic stories like this, Carlsberg Denmark's shared values were activated in a common core story: Carlsberg Boosts the Team. In order for top management and the taskforce to take ownership of the core story, they participated in a workshop where they discussed its meaning and relevance . They were excited about the content, but insisted on an acid test to take the core story further by letting the management group of 60 members go through a similar workshop. The management group reacted in exactly the same way, but it was important for them to see a clear way of anchoring the core story across the company regardless of departments.

Over the next couple of weeks all of the company's 3.500 employees participated in workshops giving them the opportunity to discuss the core story and, in their own words, express who they were as employees at Carlsberg Denmark, and what they had in common. This way, the interrelated dependencies and values were made visible, allowing employees to see the higher purpose of working at Carlsberg Denmark. After the culture project was completed, a product manager put it this way:

"It's like a new world has revealed itself to us. It has been rewarding to see employees that formerly were withdrawn Because of authentic stories, Carlsberg Denmark's shared values were activated in a common core story: Carlsberg Boosts the Team.

The employees' interrelated dependencies and values were made visible, allowing employees to see the higher purpose of working at Carlsberg Denmark. and remote suddenly realize that we are dependant on each other and that we have a bond worth strengthening. It is really unique."

The core story became the glue that held Carlsberg Denmark together across departments and function areas around the country. Naturally, the company was eager to see the results of the new employee satisfaction survey from 2007. Their profile had risen 19%, along with a marked increase in employee motivation, energy and commitment. Management and employees were enjoying a renewed sense of trust and recognition now that a clear sense of purpose of working at Carlsberg Denmark had been established.



Authentic Raw Material for Storytelling

All companies have authentic raw material for telling their own stories. Your corporate brand must be built on the real-life stories told by the employees, customers, and working partners. Only in this way can the stories be anchored in the corporate culture, thereby creating a solid and authentic brand for your company. This chapter focuses on storytelling as a concrete communication tool.

Once your company's core story has been identified and developed, you have created a strategic storytelling platform for your brand: a compass for all internal and external communication. Every time the company initiates a new communication initiative you need to ask: Does this story come together as a chapter in our core story? Does the story activate the core of our corporate culture? The better the company is at ensuring that even the smallest story supports the core story, the stronger and more consistent your brand will be.

The core story must be transformed into a collection of concrete stories. In short, the core story must be transformed into a collection of concrete stories, which are relevant for your employees, customers and your surroundings. These concrete stories translate the core story into a language that makes it accessible and relevant to your company's stakeholders in a variety of contexts.

All Companies Have a Story to Tell

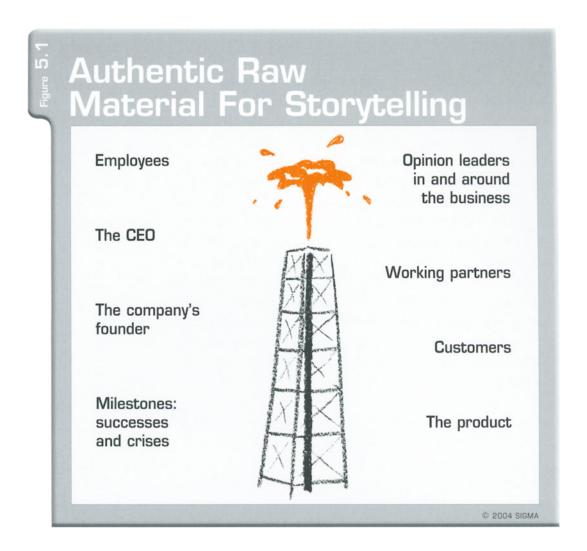
There is really no reason to invent stories to communicate your company's message if you already have all the stories about your company you need. These genuine stories add credibility to your message, and often they are far stronger than fictitious stories. Everyday stories spread through your organisation like a living organism, providing you with the raw material necessary for good storytelling. Just think of all the small anecdotes you could find in your daily working life, regardless of whether the sign on the door reads The Coca-Cola Company, or Backwater Office Supplies. It's all a question of knowing where to look, and knowing your starting point. You need to be clear about what these stories should say before you start looking. At the same time, you need to be aware of the fact that storytelling is a dynamic and continuous process. First, the stories have to be identified and collected. Then they must be sorted and processed. Finally, they need to be communicated in the right way and in the right context.

Figure 5.1 illustrates the sources and places that are most likely to contain the raw material needed for storytelling.

Within the company itself, you will find an abundance of stories from the simple day-to-day running of the business. It can be difficult to spot these stories because you live them on a daily basis without being aware of their existence. But these little anecdotes, seemingly insignificant at first, may very well be the stories that most effectively show why your company is special.

Let us take a closer look at each of the areas in the model.

Everyday stories spread through your organisation like a living organism, providing you with the raw material necessary for good storytelling.



The employees are the people who embody your company values on a daily basis.

Employee Stories

Most company stories are about the values and culture that naturally spring from the heart of your company: your employees. These are the people who embody your company values on a daily basis. Equally, "rank" or the position of the individual employee is unimportant. A good story can be found with anybody: the receptionist, the product developer, or the bookkeeper. Digging up stories is detective work. It requires research, patience, and most importantly, trust. A few tips and tricks on how to dig for stories among the employees:

- Begin by interviewing employees that you already know to be great ambassadors for the company, i.e., those people who best represent the company's values. Start with employees who have a natural gift for telling stories and who like to do so.
- Ask about their experiences within the company, good and bad. Which stories do they tell their friends or colleagues? And what stories do their colleagues tell them?
- Are there individual accomplishments where an employee has stood out, or made a difference—either socially or professionally? This can also be a good lead into other stories.
- Be prepared to get new leads during the process. You will often hear bits and pieces of stories, where you will need to find the original source in order to get the full picture.
- Always consider what the stories say about your company values.

Nothing is Too Much Trouble

Comwell is a Scandinavian hotel chain where providing exceptional service is the very core of the business. The company core story is about the calibre of employees, who will overcome any obstacle to make a guest happy. Comwell has put together a small folder called "All For You". In it, a number of employees recount personal experiences where they made an extra special effort to make their customers happy. A female secretary at Comwell, Denmark tells the following story:

"It was Midsummer's Eve and we were hosting a large wedding between a Danish bride and an American groom, at Comwell. The wedding party was comprised of 70 people who were invited to take part in traditional Danish Midsummer's Eve bonfire festivities on the beach, close to the hotel. Unfortunately, that summer the fire department and the harbourmaster had put a CASE



ban on all private bonfires on the beach. The bride was in tears. She had desperately wanted her new husband and their guests from America to experience the festival. That same evening my husband and I had been invited to spend the evening with some close friends of ours, Ulla and Carsten. They had collected plenty of firewood for a huge bonfire in the garden of their home in the country. It occurred to me to give them a call. Happily, they had no objections if we brought along some extra guests. They had plenty of room in the garden, so seventy-four instead of four posed no problem. And this is how the bride got her groom and her traditional Danish Midsummer's Eve with bonfire, speeches, and song."

Stories About the CEO

As the front man or woman of a company, the CEO has a symbolic significance in any business, as their actions are observed and analysed by the employees and the surroundings. Stories about the CEO—both negative and positive—are told again and again within a company. Sometimes those stories circulate for so many years that it becomes unclear whether the story is real, or mythical. Regardless, the symbolic meaning remains the same.

Former CEO of Hewlet-Packard, Bill Hewlett, was a leader who understood the symbolic value of his actions and of the stories being told about him. One of the classic stories told about his management style goes as follows:

"Many years ago, Bill Hewlett was wandering around the research and development department and found the door to the storage room locked. He immediately cut the lock with a boltcutter and put a note on the door, 'Never lock this door again. Bill."

It is a story about trusting and respecting your employees. To

Stories about the CEO -both negative and positiveare told again and again in the company. Bill Hewlett, the locked door was a breach of these values and his actions sent a clear message to his employees. That story is still being told today.

A few tips on how to dig for stories about the CEO:

- Most stories about the CEO are to be found among employees. Start with the employees who work with the CEO on a daily basis.
- Consider if there are any "grapevine-stories" about the CEO. Find out what they are, and get them verified.
- Are there particular actions or rituals that the CEO is well known for?
- Has the CEO been involved in any major successes, or has he helped the company through crisis and tough times. How did he or she do it?
- Consider what the stories tell you about management style and the company values.

The Big Bang:

Stories About the Founding of the Company

The story of "how it all began" is part of every company's history. Indeed, many of these "founder-stories" are very similar. Who does not recognise the story of the two young up-starts who created what became a globally successful company from their parent's garage. Many of the dot.coms that shot to success during the 1990s and grew to record size in no time were founded in a garage or an attic somewhere in the small hours of the morning.

Another variation of the founder-story is the "geek-in-thegarage-story". This is the story of the ingenious engineer who built his or her company based on a unique product, which he or she developed in a hobbyroom. At Danfoss, one of the largest manufacturers of thermostats and water pumps in the world, the story of the founder, Mads Clausen, is well known. In 1923, The story of "how it all began" is part of every company's history. at just seventeen years old, Mads filed his first patent for an invention and earned the nickname "Mads Patent". Ten years later, in 1933, Mads founded Danfoss. The story supports and reflects the company's core story of maintaining a "pioneering spirit of innovation"; values on which the company was built, and still rests today.

Founder-stories are variations on the same theme. Compaq (now merged with Hewlett-Packard) was founded by a group of IBM employees who had grown tired of working in a big, streamlined corporation. One day, during their lunch break, they were sketching out ideas on a napkin and the idea for the laptop computer was born. They quit that same day and founded Compaq. Another example is that of the Hard Rock Café, which was founded by two Americans who were deeply frustrated by the fact that they could not get a decent burger in London. They started a burger restaurant where Eric Clapton became a regular. The fanfare for what would become a worldwide success story came the day that Clapton donated a signed guitar to the restaurant, and laid the foundation for the Hard Rock Café concept as we know it today.

Stories about the first tentative footsteps of companies all over the world often touch on the core values and mindset on which the companies rest. And often you will find the founder was driven by passion and the will to make a difference. It is often said that you are better equipped to face the future if you know your past. Knowing your roots gives you a feeling of identity. It provides ballast when decisions have to be made on the future of the company. Internally, the story of the company's founding has great importance for the identity of the employees. However, management within the company also needs to consider whether the story remains relevant to the company, and will be so in the future. Developments may have made

Stories about the first tentative footsteps of companies all over the world often touch on the core values and mindset on which the companies rest. changes in a way that means the founder-story no longer supports the core story.

A few tips for finding stories on the company's founding:

- Start by reading all available material on the company's history and development.
- Interview the founder if he or she is still with the company. Or, talk to senior employees who may have been there since the beginning.
- Ask what triggered the foundation of the company and how it happened?
- What was it that inspired the founder—what was the vision? The dream? And his or her passion?
- Consider if the vision of then corresponds with the vision of now. Does it still have a relevant, forward-looking message?

Milestones: Successes and Crises

In any company there are always events of special significance, which have been decisive in shaping the company and in determining its future. By scrutinising these events or *milestones*, we can uncover many stories, which are rich in value content.

A milestone marks a decisive turning point that has subsequently been of great importance to the company: landing a big deal, a buyout, a blockbuster product that took the market by storm, a lurking crisis that was turned around thanks to a stroke of genius, or true team effort. Milestones are often tied to success stories where the company performed an extraordinarily. But it is not only the successes that have the potential to become a good story. Often, it is when things go wrong and you are in deep crisis that your company values are put to the ultimate test. And where you have most to learn. Critical choices are made when you have your back against the wall. A serious crisis forces companies to prioritise more clearly or to change course completely. If the company stands idly by, it risks bank-

Often, it is when things go wrong and you are in deep crisis that your company values are put to the ultimate test. ruptcy. When, in deep crisis, the company is forced to reach back and examine the reason for its existence—its heart and soul—employees invariably bond together in a common cause. It has to hurt before it can get better.

A few tips for digging up stories about your company's milestones

- Start with senior employees or employees who have been with the company for many years and who know its history inside out
- Ask about the times that the company has experienced its greatest crisis. How was the crisis overcome—and what does this say about the company's values?
- At any point in time has the company gone through a change in course? What prompted the change?
- When did the company experience its greatest successes? What happened?

Product Stories

The company's products are almost always a story source. It may lie hidden in the way the product was invented, or in the way it is made. Take the story of Rockwool, for example. Making Rockwool (a home insulation product) is a complicated process. To explain the process in a way that we non-rocket scientists can understand, Rockwool tells the following story:

"The process used to manufacture Rockwool is a man-made copy of one of natures most impressive phenomena: the volcanic eruption. The idea was born in the 1920s when scientists made a startling discovery. Following a volcanic eruption on Hawaii they found strange tangles of wool scattered across the island. According to legend, these were clumps of hair that the volcano's queen, Pelé, tore from her head in anger. However, studies showed that the lumps of wool had a different, but nevertheless extraordinary origin. During a volcanic eruption, rocks inside the volcano become so hot that they melt and are

The company's products are almost always a story source. tossed up in the air. Before the rocks fall back to earth, the cooling air transforms the rocks to wool. It is this process that is being recreated in the production of Rockwool."

If your product has a long history, chances are you can dig out stories from the past that can add value to the product in the present.

The classic Parker pen dates back all the way to 1892 and played a vital role in world history during the course of the 20th century. In 1945, Dwight D. Eisenhower used his Parker pen to officially put an end to World War II when he signed the peace treaty in Paris. And when Japan surrendered to the Allies later the same year, the treaty was signed with General Douglas MacArthers old Parker pen onboard the warship USS Missouri. The arts have also benefited from the ink of a Parker pen. Giacomo Puccini let his Parker pen dance across the paper, when he composed *La Boheme*, as did Sir Arthur Conan Doyle when he created his infamous mastermind detective, Sherlock Holmes. Many stories can be told about the Parker pen—and many of those would seem to indicate that great people achieve great things using Parker pens.

The Parker pen example shows us that not all products are created equally. Some products simply have an advantage because of a particular history. Another example is the Cuban cigar brand, Cohiba.

Fidel's Favourites

The Cohiba cigar was developed on a personal initiative by Fidel Castro and was produced under direct control by his revolutionary companion, Che Guevara. It all started when Fidel Castro in his early days as head of state, noticed that one of his bodyguards smoked a very aromatic cigar. Fidel enquired about the label and the bodyguard told him that the cigar was a

CASE



present from a close friend who hand-rolled cigars. Castro personally contacted the cigar roller, hired and installed him in an old ambassador's villa in the periphery of Havana along with a team of five cigar rollers. The special cigars were reserved for Fidel and his close confidants. They were also presented as gifts for Cuba's communist allies during the Cold War.

Coincidentally, John F. Kennedy also had a weakness for the Cuban cigars. About a month after the Bay of Pigs invasion, Kennedy went to one of his closest advisors, Pierre Salinger:

"I could really use your help... I need some Cohiba cigars." "How many do you need?" asked Salinger. "About 1.000," Kennedy responded, "and I need them tomorrow morning at the latest."

It was no mean task, but Salinger, being a cigar lover himself, activated his network. At 8a.m. the next morning, Kennedy called Salinger into his Oval Office at the White House:

"Well, how did it go?" asked Kennedy impatiently.

"I got 1.200."

"Fantastic," exclaimed Kennedy and opened the desk drawer to bring out a decree that officially banned all Cuban products in the US, "I believe I can sign this now."

Years later, it is said that Castro loved the long thin Cohiba cigars so much that he made them available as a premium brand to the public for the first time at the World Cup in Spain in 1982.

A few tips for digging up product stories:

- How was the product developed? How did the idea for it come about? What happened and who was involved?
- How is the product made today?

- How did the product get its name?
- Does this product have something special that competing products do not?

Accidental Corn Flakes

Today, the Kellogg's brand is synonymous with breakfast cereals, none more so than Kellogg's Corn Flakes. The story behind this product is well tuned to the company's brand values, despite the fact that the whole thing came about by accident.

First, we need to go back 100 years to Battle Creek in Michigan, USA. Here, there was a health sanatorium nicknamed "The San", where wealthy, high-society folks could seek treatment from the effects of the fatty foods of the times. The San was the largest health sanatorium of its kind back then, and was managed by one Dr. John Harvey Kellogg. The patients at The San, included, among others, Henry Ford, Thomas Edison, and Johnny Weismüller, who were all put on a vegetarian, low-fat, high-fibre diet.

In order to make the diet as tasty and attractive as possible, Dr. John Harvey Kellogg and his brother Will Keith Kellogg experimented with the development of grain-based products that could be incorporated into the treatment of their patients. In 1894, the two brothers were experimenting with boiled wheat, which they rolled. The result was a very poor-tasting alternative to the foods of the day. Then, one day, they were interrupted during one of their experiments and left the boiling wheat to go cold. When they returned, Dr. John Harvey decided to roll it anyway, and to their great surprise the wheat came out in large thin flakes, which were light and crunchy when baked.

Rumours of these new, tasty flakes spread fast. Many former patients wrote to the sanatorium asking for the wonderful



flakes of wheat. So, Dr. John Harvey Kellogg started his own production company, the Sanitass Food Company. His brother became president of the company and continued to experiment with different types of grain like corn, which he boiled with malt, sugar, and salt. The original Kellogg's Corn Flakes were born, and laid the foundation for the entire Kellogg's brand.

Stories From Working Partners

Stories garnered from your partners are always interesting because they are often founded in actual knowledge of your company, and from personal experiences with your employees. Here you will often find raw material in the shape of shared personal experiences that bind you closer together. If you have been working together intensively on a project, or have had a solid business partnership for a long time, there will usually be stories that reflect your shared values.

A few tips for digging up partner stories:

- Start with the partners with whom your company has good and close relations.
- What characterises the relationship? How does this manifest itself, and what does it say about the company's values?
- Which projects have you done together that both parties are proud of? What happened? Who was involved?

The Art of illy

Combining authentic Italian tradition with advanced science and technology, the world famous coffee brand, illy, has spent nearly 70 years perfecting the espresso coffee process. Founded by Francesco Illy in 1933, the company today is run under the expert guidance of his son, Dr. Ernesto Illy, and grandson, Andrea Illy.

illy coffee is special because it is based on 100% Arabica coffee beans. And making a good espresso out of pure Arabica coffee

Stories garnered from your partners are always interesting, because they are often founded in actual knowledge of your company.



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is a very delicate art. It is said that 60% of the quality is determined by the way the coffee is brewed. So the art of brewing is vital to illy's success. Thus, they depend on their business partners—such as coffee shops and bars—to ensure that the true illy experience reaches their customers. The following story took place five years ago at a café in the heart of Copenhagen:

"One afternoon an elderly Italian gentleman entered the cosy café Laszlo, took a seat at the bar and ordered an illy espresso. The young barman looked at the man and said, "As much as I would like to serve this espresso to you, I'm afraid I can't. I discovered this morning that our espresso machine isn't working quite as it should, which means that the illy coffee doesn't taste quite right. So, I'd rather not serve it. I'm sorry, but I hope you understand." The Italian gentleman did not get upset. Much to the surprise of the barman he got up with a big smile on his face and thanked him from the bottom of his heart. It turned out that the Italian gentleman was in fact Dr. Ernesto Illy, the owner of illy coffee and one of the most admired people in the entire coffee industry, respected for his vast knowledge and expertise. Dr. Illy was deeply impressed by the professional attitude the young barman had displayed, in particular the way he had safeguarded the illy brand. Dr. Illy was on one of his rare visits to Copenhagen to give a lecture on coffee and to hand over the special illy award for the best coffee shop in town. Thrilled about this experience, Dr. Illy asked the young bartender to come along to the award event, which was taking place that evening. When, later that night, Dr. Illy had handed over the award to the coffee shop in question, he announced an extra illy award for an individual barman who had showed an outstanding sense of quality and professionalism. Recounting his experience from that afternoon, he asked the young barman from Laszlo to step up and receive the honour."

Even though the coffee was never served, the story sets a great

example as to what the illy brand is all about. The barman could have easily served the illy espresso and made the sale, even though the coffee would not have had the right taste. Yet, he never compromised his professional integrity. He displayed the illy values by taking pride in his work and showing deep respect for the art of brewing coffee to perfection.

The story is well-known by people in the café and coffee shop business in Copenhagen. Yet, it would be easy for illy to systematically tell it to their sales force, to set an example and show the kind of commitment they expect from all their business partners.

Stories From Customers

In South America several schools use LEGO bricks as a teaching tool. Studies have shown that alternative teaching methods using LEGO bricks increases children's ability to learn. It not only motivates them to come to school, but also has such a positive effect on them that they cannot stay away. In a school in the Brazilian state of Bahia, a teacher came to work one Monday morning to discover that there had been a break-in over the weekend. Bizarrely though, nothing had been stolen. As it turned out, it was a couple of the school's students who were behind the break-in. They had forced their way in, in order to continue working on the LEGO models they had started building in class the Friday before. When they were finished they had cleaned up, put away the LEGO bricks, and closed the door behind them as they left.

If your company has loyal and happy customers, then let them speak. It is your customer stories that add a universe of experiences, which reach beyond the physical properties of the products themselves. Your customers' experiences bring your values to life; they show in real terms how you make a difference. The story of the students in Brazil illustrates LEGO

Your customer stories add a universe of experiences, which reach beyond the physical properties of the products themselves. values—enthusiasm, creativity, play, and learning—values that make up the very core of the LEGO brand. When your customers show how and why your company makes a difference, it has far more credibility than when you praise yourself.

For several years now, American Express has been building its brand under the payoff "Do More". The underlying core story is about the ultimate freedom to do what you want, when you want. There is no situation good, or bad, that the holder of an American Express card cannot cope with. At one time you could read small customer stories on the company's web site. One of them went as follows: "Passengers on an Air Zimbabwe Boeing 707 from Harare to London were spared an embarrassing delay in Marseille thanks to the holder of an American Express card. During the stopover the pilot asked the surprised passengers if anybody could cover the 2.700 Euro landing fee charged by the airport. After a moment of silence a passenger offered to put it on his card."

A few tips for digging out customer stories:

- Gathering customer stories requires dialogue with your customers. If you do not already have such a dialogue, you need to consider ways to get direct feedback from the customers.
- Look for concrete examples of customers who have had an experience with your company or product. What happened? Which role did the product or the company play in the customer's experience?
- Consider where your company makes a difference to your customers? Does this manifest itself in the stories?

Stairway to the Stars

With its prominent address in the heart of Copenhagen, just opposite the Royal Theatre and Ballet, Hotel d'Angleterre is one of the finest hotels in Denmark. Here is a little story that



reflects not only the hotel's proud traditions, but also its clientele:

Even though the Hotel d'Angleterre is not quite as old as the legendary King Arthur, a three-metre high statue of the old King has been standing guard at the door of the Royal Suite for many years. A couple of years ago a very prominent singer was staying at the hotel. He simply could not tear himself away from the statue. When he left the Royal Suite in the morning and again, when he came back in the evening, he would stop to admire this antique work of art. After a few days the singer went down to the reception and asked if he could buy the statue. This spawned a flurry of activity behind the scenes and questions such as: How much does a statue like that cost? Can we sell it at all? Is it possible to get a copy made? After considerable deliberation the manager went to his guest and explained with regret that the statue was not for sale. It had been standing in its place for many years and was part of the heart and soul of the hotel. This did not, however, deter the guest, who, in all seriousness asked, "Well how much does the *hotel* cost then?" The prominent guest was none other than Michael Jackson.

Shoe Love

Few companies enjoy the privilege of receiving letters from satisfied customers telling their stories and expressing their gratitude; however, the global shoe brand ECCO, known for its comfortable and high quality casual shoes, regularly gets emotional letters from thankful customers around the world.

The following letter, which ECCO received from an American customer, is probably about the closest you could ever get to true shoe love:

"I was recently caught in the electricity blackout of 2003, in my office in New York City: 40 miles from home, no subways, not



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a bus to be found, and no commuter trains were operating. I was not allowed to stay in my office building and refused to sleep in the street as many other New Yorkers did that night. Like tens of thousands of people, I began to walk home. From 34th Street in Manhattan uptown and over the 59th Street Bridge, across the East River, and into the borough of Queens. Five-and-a-half hours later and after walking 16 miles, I finally found two buses that were able to get me close enough to home to be able to call for a ride to my house. I would have never made it, nor would I have tried to make it by foot unless I was wearing my ECCO dress shoes. My feet never hurt, they were never sore, and although the inside of my legs became raw and were bleeding by the end of this hot and exhausting trip, my feet still felt fresh and lively due to the wonderful pair of shoes I had on that night. I was really beat when I finally arrived home (at 1:30a.m.) and collapsed in my easy chair. I soon fell asleep in my clothes, too tired to even change. I didn't even remove my shoes that night. They were as comfortable and as light then as they were the moment I put them on earlier that day. These dress shoes are more comfortable than sneakers and the soles never wore down a bit. I am sold for life. I tell everyone this story, and promote your product constantly. Keep up the good work. You make an excellent high quality product and thank you for helping me get home during the recent 'Black-out'. Sincerely, Tom Lennon."

Think about the determination it sometimes takes to write a letter to a dear friend. Then consider how determined the ECCO customer must have been writing this letter to a foreign shoe company far, far away! His shoes must have meant quite a lot to him. You don't get a story like this unless your company has truly earned it.

Sadly, most customer "love letters" tend to end up in an archive in customer service or in a secretary's desk drawer without anybody ever seeing them. However, one shouldn't underestimate the power of such a story. It could be valuable ammunition for the sales force when facing new customers. And it could boost the company spirit, making employees feel that they actually do make a difference.

Stories From Opinion Leaders

In the 1950s the sex symbol of sex symbols, Marilyn Monroe was famously asked what she wore to bed. Her answer went something like this, "Two drops of Chanel No. 5 and nothing else..." Marilyn's racy reply not only triggered the imagination of her male admirers, it also gave a huge boost to Chanel, who could now tell the story of Marilyn's preferred bedtime attire. The story was so powerful that Chanel No. 5 still lives on the power of the icon and myth of Marilyn Monroe. It emphasises their story of femininity, eroticism, and seduction.

An opinion leader is a person, an organisation, or a cause that sets the agenda in a given field. For example, Marilyn Monroe was a role model for fashion, beauty, and youth. The idea behind digging up stories from external opinion leaders is that when someone who knows what they are talking about recommends your company, it adds to your credibility. The story told by opinion leaders may not be as rosy as if you were to tell it yourself, but the added credibility gives the story far more punch than you ever could have.

An opinion leader does not necessarily have to be known. It could also be a professional or an expert within a narrow field who is not immediately associated with the company. When the company "explains itself" through people from different worlds, whole new perspectives of looking at the brand often appear. Sourcing stories from opinion leaders requires thorough research and legwork, and it may be a good idea to proactively seek to establish a dialogue with opinion leaders either

The story told by opinion leaders may not be as rosy as if you were to tell it yourself, but the added credibility gives the story far more punch than you ever could have. in or outside of the field of business: opinion leaders who may share an interest in the field in which the company operates, or who hold similar values to the company.

A few tips on digging up stories among opinion leaders:

- You should have a clear idea of the message that the opinion leader can contribute beforehand.
- Identify the people who set the agenda in the company's field of business. They will often be the preferred reference points of the media when they need a statement.
- Consider if there are opinion leaders from other fields who may have an alternative approach to the company, or the company's product?
- Professional experts must not receive payment from your company. This would undermine their credibility. They need to have a professional shared interest in the company or its product, which in turn becomes the basis for opening up a dialogue. Of course, this means that the company must have the substance or profile that makes it interesting for the opinion leader to get involved in telling the company story in the first place.

A Few Rules of Thumb

The various sources for finding your stories underline the fact that in any company there is abundant raw material for storytelling. But as your research goes on, you will find that these stories are rarely presented to you on a silver platter. Often, there are lots of fragments of information that need to be processed before they can be shaped into a story.

The following are a few rules of thumb as to what to look for when gathering stories and processing the raw material into actual stories:

A good example

People have a tendency to speak in general terms: "It was a good period," or "We are more innovative than our competitors". Make them be specific. Have them tell stories of specific incidents, events, or situations that express the sentiment.

The more concrete the better

Put faces on the characters in your story. What was said? How did they react? What was the mood?

A good story "speaks in images"

If you do not see images in your mind when hearing a story it is not concrete enough. Be sure to get the visual details.

Numbers are boring

Numbers and facts may be very important, but on their own they rarely make for a good story. They must be placed in a context.

Storytelling and history are not the same

"The company was founded in 1899 by a man in Liverpool" is not a good story in itself, but it may very well be the seed for a story.

The StoryDrivers of the Company

In the systematic process of extracting the raw material for storytelling, some hidden and untold stories about the company are likely to be revealed. It is also likely that you will encounter one or more areas that hold a larger concentration of stories, which express the company's core story. Gluts such as this are "StoryDrivers".

A StoryDriver helps express the company's core story by making it relevant for the right people. The 3M Company is known for its ability to innovate and develop new products. As

A StoryDriver helps express the company's core story by making it relevant for the right people. a brand it is built on the core story of "innovation at any cost". The core story is brought to life by the many internal stories of how new and groundbreaking products come to life in a unique culture of innovation. These stories about product development constitute the central StoryDriver of 3M, helping to attract new employees and continuously strengthen the culture.

A charismatic and visionary leader who, through his actions, becomes an icon for the company's story may also be a Story-Driver. Richard Branson and everything he represents is the central StoryDriver in the story of Virgin—the adventurous rebel who breaks with convention.

The choice of StoryDriver is a strategic decision. It should be grounded in an assessment of what stories best communicate the company's core story. Your authentic stories may not be equally applicable in all situations. Maybe they do not offer a forward-looking perspective on the core story, or maybe they are simply not relevant to some of the company's core target groups. Some stories will be more relevant for customers than employees, and vice versa.

Sometimes inventing new stories, or staging some of its stories, better serves the company. At Nike it was never authentic raw material that Michael Jordan and all the other star athletes wear Nike shoes. In order to express the core story externally, Nike paid for this raw material and made it the central StoryDriver in their communication with customers. It works for Nike. But it is also a costly solution that only a few companies can afford. And it is not always credible to buy your stories. In any case, your genuine stories can be used as a starting point, or serve as inspiration for creating or inventing different stories.

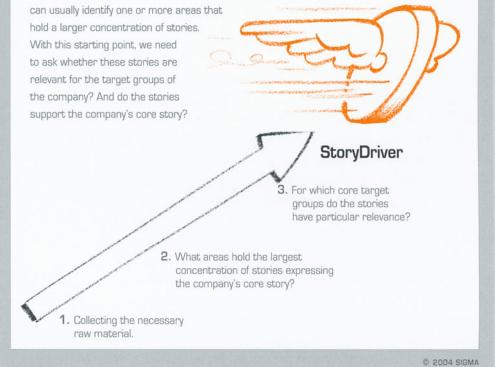
Figure 5.2 illustrates the process of finding the company's StoryDrivers.



The Company's StoryDrivers

Your choice of StoryDriver centres on finding the focus areas of stories best suited strategically to communicating the company's core story.

Having extracted the authentic raw material for storytelling, we



PART TWO:

STORYTELLING APPLIED





If your company's employees cannot explain how you make a difference, then it is naive to think that customers should choose your company over your competitors. A strong brand stems from its employees, people who have to be strong ambassadors for the brand on a daily basis. In this chapter we discuss how storytelling can be used as a tool to strengthen the company culture and the brand from within.

The stories we share with others are the building blocks of any human relationship. Stories place our shared experiences in words and images. They help shape our perception of "who we are" and "what we stand for". Likewise, stories are told and flow through all companies. By analysing and interpreting these stories we can uncover the organisations' values, making storytelling an important tool in the internal branding process. Likewise, through these stories, employees come to understand themselves and the company brand. And in turn, these stories help employees understand the reasoning behind the company's values and guide them towards actually living those brand values in day-to-day operations.

Storytelling works as a supplement to traditional management tools. For managers, the task is to use storytelling to anchor the company's values, visions, and culture within the organisation. As such, the goal should be to identify those stories, which best communicate the company's core story, at the same

Through stories, employees come to understand themselves and the company brand. time ensuring that they will be told again and again. This is a continuous and organic process meaning that stories must be identified, developed, and communicated on an ongoing basis if they are to get their messages across in a timely and relevant way.

There are two purposes for using storytelling as a management tool:

To strengthen the culture

• Translating the company's values in tangible ways that employees can easily understand

To show the way

Showing employees how they should behave in certain situations in order to uphold company values

The following pages give concrete examples on how companies have used storytelling to achieve these purposes.

Building Blocks for a Strong Company Culture

Managers are often fond of fancy words, listing their carefully considered *corporate values* on any occasion they get: through the company newsletter, on bulletin boards, in the annual report, or on the company Web site. They sound great, but in terms of actual value creation they are virtually meaningless; little more than empty shells devoid of any real content. Typically, they look much like the value list of any other company.

By explaining company values through stories, however, those abstract values become tangible. The complex becomes concrete. Take 3M for example. Here is one company where storytelling has become an integrated part of the culture. Through stories told about their many inventors and pioneers, 3M and its many employees define what the company stands for, and

By explaining company values through stories, the abstract values become tangible. The complex becomes concrete.



by actively seeking and using a certain set of stories the culture of innovation has been maintained. These stories have become the building blocks for the dynamic company culture of 3M.

A Playground for Idea Makers

"Pioneering work and storytelling have always been important parts of the 3M company culture. The stories about those pioneers form the basis for 3M's basic message—innovation. And by reading those stories it becomes easier to understand 3M's eagerness to challenge conventions and encourage new, innovative solutions for both small and large problems and needs."

For more than 50 years, the company has been acutely aware of the role that storytelling can play in developing the values and culture. The above paragraph comes from 3M's Web site. For more than 50 years, the company has been acutely aware of the role that storytelling can play in developing the values and culture that have enabled 3M to successfully maintain its high rate of innovation.

When 3M was founded in 1902 it produced sandpaper. Today 3M is a highly diversified company doing business in a wide number of fields including electronics, chemicals, construction, healthcare, office supplies, and communication. However, the various divisions of 3M all have the same basic passion driving them forward: innovation and finding better solutions in their field. This has made 3M one of the most respected companies in the US.

The story behind the invention of 3M's classic Post-it note, can be found in numerous management books as an example of how a company can further a culture of innovation:

"Our story begins in 1968 when 3M-scientist, Dr. Spencer Silver, set out to develop a new kind of super glue with extraordinary sticking capabilities. The glue was intended for use in 3M's many wallpaper products. But Silver's project failed. At least, that's what they thought at first. In the course of his experiments Silver came upon a glue of a very different nature; one that had unusually low sticking capabilities. He knew that he had found something quite extraordinary, but he had no idea what to use it for. Over the next five years Silver held a number of seminars for his colleagues enthusiastically telling them about this new glue.

"Curiously, it turned out that the real breakthrough did not come from the hands of Spencer Silver at all, but from another 3M scientist who had taken part in one of Silver's seminars. The scientist was Arthur Fry. Fry sang in his local church choir and had an ongoing problem: the bookmarks in his psalm book kept falling out. In a moment of inspiration, he suddenly remembered Spencer's glue and thought about how it would be perfect for bookmarks. He experimented by putting a dab of Spencer's glue on a bookmark and sticking it into his book. Voila, it worked like a dream. The bookmark stayed in place nicely, but he could easily remove it without damaging his psalm book. Thus the idea for 3M's popular Post-it notes was born. An idea which now generates annual sales worth approximately \$100 million."

Another chapter in the story is the clever way in which the idea was pitched to management. Employees started using the little yellow notes within the company, displaying its functionality for all to see. Instead of droning on about why the idea was so ingenious, they let the product talk for itself while at the same time letting management see its capabilities for themselves.

In the story archives of 3M, there are innumerable similar stories. Like the story of the female 3M scientist, Patsy Sherman, who invented a unique protective agent for textiles. Back in 1953, Sherman noticed a seemingly unimportant incident. An assistant in her laboratory had spilled a few drops of an experimental chemical on her new trainers. Naturally the assistant was upset, thinking that she wouldn't be able to get the stains off. Nothing worked: neither soap, alcohol, nor other solvents. Sherman, however, became fascinated with the chemical's incredible resilience and began forming an idea, which at the time seemed ridiculous: to develop a chemical that could repel water and oil from cloth fabrics. By 1956, Scotchgard[™] Protector was launched, marking the beginning of a whole new range of highly successful Scotchgard[™] products. The brand has been the market leader ever since.

A popular saying at 3M is that you have to kiss an awful lot of frogs before you find your prince. They are pragmatists. Failing is par-for-the-course when it comes to innovation and product development. These stories are not only about successes, but also about projects that failed.

Internally, authentic stories like these nurture and nourish a company culture where inventors are heroes providing employees with the conviction that the next blockbuster product is just around the corner. These stories are also used in the recruiting process, to explain to new employees how things work at 3M. Instead of paper mountains describing each step in the process of getting a green light for a proposed project, all new employees are told stories about legendary product developers who challenged the system and got their projects approved. A classic case of, if you believe in something strongly enough, your dreams will come true.

Outside of company walls these stories give customers and partners an image of 3M as an extraordinarily visionary company, and a leader in innovation: a glowing example of how a core story works as a catalyst for the company's brand, both

These stories are not only about successes, but also about projects that failed. internally and externally. 3M's core story is about "innovation at all costs". It fights a daily battle to make our lives easier through new inventions. The adversaries in the story are all the things that stand in the way of innovative thinking, like bureaucracy and narrow-sightedness.

Of course, stories are not the only factors that drive 3M forward. The company has also established a number of symbolic and highly visible activities. For instance, management have formed an Innovation Task Force: a team of employees whose only purpose is to springclean all bureaucratic red tape that hinders product development. The company also has a 15% rule, allowing all employees to spend 15% of their time on personal experiments and projects. And each year, 3M gives out the Golden Step Award to any product development team whose new products have achieved sales of more than \$2 million in the US, or \$4 million worldwide, within its first three years on the market.

Make Storytelling Your Co-pilot

Our stories explain "where we come from" and "what we stand for". But stories are also a strong tool for showing "where we are going", capable of guiding employees in terms of how they should act in a given situation in order to literally *live* the company brand.

Companies often need to refocus on their values, especially when they are trying to change. In such cases, it is crucial that employees understand why and how they are to behave given the new conditions, such as after a merger, or when two companies with different cultures need to find a common ground. Falling revenues may also prompt change whereby management needs to reassess the company's values and provide employees with a reference point in day-to-day operations. Of course, stories are not the only factors that drive 3M forward. The company has also established a number of symbolic and highly visible activities.

Stories are a strong tool for guiding employees in terms of how they should live the company brand. This was what happened when UK-based Vodafone—the world's leading mobile telecommunications company—bought the Czech mobile operator, Oskar, in 2005. Under socialism in the Czech Republic, everybody was expected to have the same things, think the same thoughts and be the same. But the country's transition to capitalism at the start of the nineties saw the rise of a few small, ideas-based companies like Oskar, who dared to think outside the box.

Their innovative culture attracted people who were prepared to challenge the status quo and were proud to be part of a company known for shaking things up. When Vodafone acquired Oskar, they wanted to tap into that unique spirit while supporting the company with a world-class network and systems capabilities that would ensure its continued success in the coming years.

The new CEO that came with the Vodafone acquisition was a strong advocate of a values-based way of doing business. He believed that companies could serve as role models in helping to transform societies, and wanted to ensure that people within the newly rebranded Vodafone Czech Republic did not lose that dynamic Oskar spirit. Instead, he wanted to harness it and use it to drive the business forward.

Using the storytelling tools, the new CEO and his team engaged employees at all levels across the company to define in a clear, tangible, and inspiring direction, the fundamental reason for being at the old Oskar and the new Vodafone Czech Republic: "To unleash people's desire to rise above mediocrity while never forgetting the heart".

This maxim would serve as the foundation for the company's new strategy incorporating a 'where' (the next big new business goal it wanted to achieve), a 'what' (the strategies that would get them there), and a 'how' (the bottom-up values of the people who worked there). In the long-term it would give all employees—old and new—the opportunity to put their ideas out there and continue to challenge conventional thinking within the industry.

It paid off. As preparations for the next Christmas promotional period got underway, employees took the company vision to heart by challenging a mobile industry that had traditionally invested greatly in Christmas promotions to attract new customers, but had failed to reward the loyalty of millions of existing customers. Instead, Vodafone Czech Republic took a huge risk by creating a modest promotion designed to appeal to all customers, old and new.

Buzz was created around their cheeky spokesperson—a Chihuahua wearing reindeer antlers—that quickly earned a place in the hearts of the nation as an antidote to more aggressive campaigns by competitors. Customers rewarded Vodafone Czech Republic with its most successful Christmas season to date. The new company had successfully established itself as a business with a heart and brave enough do things differently. It caused the rest of the industry to rethink the way they were doing business, and remains the most popular mobile phone company in the Czech Republic today.

Stories help employees understand and activate the cultural values of the organisation. Once you have the values and the stories that support them, the employees know how to live the culture and make decisions on their own. The next two cases from STARK and the LEGO Company are good examples of precisely this use of storytelling. CASE

STARK: Business Solutions Right Under Their Noses

Ever since its foundation in 1896 the Danish building firm DT Group has owned several local builders' merchants around the country. That these 75 builders' merchants had the same owner was never apparent either internally, in different stores, or externally in the eyes of the customers. Besides having different names, each builders' merchant had a unique and deeply rooted local culture and identity. Unfortunately, this division resulted in poor communication and cooperation across the 75 units.

In 2004, management decided to merge the builders' merchants under one shared name: STARK. The goal was to strengthen the competitiveness of the stores and represented an opportunity to create a strong brand in Denmark, while reaping the benefits of being a large-scale company. Now, customers could shop at STARK all around the country on the same account. In addition, more centralised marketing would reach more people than the local store had previously been able to do.

The biggest challenge, however, came down to securing the support of the 75 builders' merchants, as well as anchoring the new management strategy among employees. No one knew what the defining STARK culture was, and it was unclear whether the existing individual builders' merchants would recognise what they had in common. For more than a century several of the builders' merchants had maintained a proud tradition, and were sceptical of giving up their roots and local identity in exchange for a blurry corporate union. It was essential to convince them that they had more commonalities than differences and the only way to do it was to make their values visible as part of a shared culture.

STARK's management chose to use storytelling to make this shared identity visible. A wide-ranging story gathering was

kicked off to determine patterns of common behaviour across STARK. Employees and customers were interviewed in order to get personal opinions of what characterised STARK at its best.

One of the stories that emerged among employees was about a manager at a local merchant who, on the 22nd of December, received a phone call from a craftsman in a bit of a bind. The craftsman had just realised that the kitchen he'd just received from the kitchen manufacturer was incomplete. Both the craftsman and the client were at the end of their tethers. Christmas was just around the corner and on the 24th of December the client expected 33 people for dinner. The manager set his private network in motion and at 9p.m. a local builder's merchant opened its doors just for him so he could get the client a brand new kitchen. Afterwards, he personally drove to the client's house where he and the craftsman worked until 3 a.m. to assemble the kitchen. The next day, the kitchen was set up and the client got to spend a happy Christmas with her family after all. Prior to this the craftsman in question spent 1 million Danish kroner a year at STARK. Today he spends almost 10 million kroner annually.

When STARK managers heard stories like this one their reaction struck a chord: it was exactly this way in the different builders' merchants across the country. The Christmas kitchen nightmare had huge resonance because it reflected the drive and determination that exists at STARK, qualities that everyone could recognise and be proud of. The scepticism that had originally dominated the minds of the merchants had been replaced by a sense of being part of a bigger whole. Their company culture had been found, and STARK went from consisting of several small players to becoming a strong, national team as one of the managers expressed: A wide-ranging story gathering was kicked off to determine patterns of common behaviour across STARK.

The scepticism that had originally dominated the minds of the merchants had been replaced by a sense of being part of a bigger whole.

"Our strength comes from our local roots because we know

each and every customer. By realising our shared values and by uniting our forces we have gained an incredible and previously unknown agency to deliver the extra service that our customers deserve."

The direct involvement of employees made the change process smoother and made STARK's overall strategy easier to achieve. As it turned out, the employees were already within the professional remit that STARK was articulating with their new strategy.

Today STARK communicates the strong, shared story about "groundbreaking professionalism" both internally and externally. Their common values are strengthened while distinguishing STARK from its competitors. The anchoring of a shared attitude and culture gave STARK the best possible springboard for external communication. With an annual turnover of 9 billion Danish kroner STARK is now the leading builder's merchant for professional craftsmen and private home builders in Denmark, and boasts nearly 3,000 employees.

The Story Hunters

The year 2000 was the worst ever in the history of the LEGO Company. Since the founding of the company in 1932 the products had been selling themselves. It had always been a question of how big the earnings were going to be. But by the end of the 1990s darker times loomed on the horizon. In 1998, the company experienced its first ever deficit, and two years later things went seriously wrong as the LEGO Company faced a loss of 134 million Euros. Changes had to be made.

Looking to the LEGO values as a starting point, it was clear that the focus had to return to running a healthy business. Management decided to implement a new mindset by revitalising their values by making them more relevant to each indi-

CASE



vidual employee. At the same time, the company had to work on increasing its competitiveness in the market, while individual employees had to become better at taking responsibility for their actions, and show more initiative and drive.

The LEGO Company launched an extensive development program aiming to strengthen the competencies of managers and employees alike. Based on existing LEGO values, five core competencies were identified and formulated for the whole organisation to work towards improving. There was only one problem: Very few employees understood what competencies such as *Business Drive* and *Consumer & Brand Focus* actually meant, when it came down to the daily workings of the company.

The management team knew that work manuals and longwinded texts were not the way to go. Instead, they asked themselves: How do we best explain what the individual competencies mean in everyday operations? The answer seemed straight forward: by using stories about exemplary LEGO Company employees from day-to-day operations, simple guidelines could be created showing how the company was going to transform words into action. Management then initiated a worldwide search for stories at all organisational levels.

The result is a treasure chest of video shorts that show through sound and images how challenges and conflicts have been solved in true LEGO-fashion. The treasure box, dubbed *The LEGO Spirit*, was distributed on CD-ROM and via the LEGO Company intranet as inspiration for all 8.000 employees. One of the stories goes as follows:

"The thousands of LEGO models on display in LEGOLAND parks all around the globe are subject to all kinds of weather: storms, snow, sun, and rain. Even though the models can take the punishment, the strong colours of the bricks that the By using stories about exemplary LEGO Company employees from day to day operations, simple guidelines could be created showing how the company was going to transform words into action. children love start to fade after about five years. Because of the ever-changing Danish weather, LEGOLAND Billund spends in excess of 270.000 Euros a year replacing old and faded models with new ones.

"Erik Bundgaard, affectionately known among his colleagues as the "Mayor of LEGOLAND", had always considered it a shame to spend so much on replacing models every year, and during a visit to England he had a brainwave. By chance he came across an old-fashioned method of shining and polishing church bells that was still employed in the country: hosing down the bells with a mixture of baking soda and water made the bells shiny and new again. So, Erik thought, "Why don't we try this with our LEGO models?" On his return to Billund he immediately ordered a high-pressure cleaner and started experimenting with a faded LEGO boat from the LEGOLAND Park. To his dismay, the mixture did not have the desired effect on the LEGO bricks. But he kept on experimenting until he finally discovered that by mixing small grains of sand and glass with the water, the desired effect was achieved. The method brought back the boat's bright colours!

"The discovery meant that all models in the LEGOLAND parks have now doubled their life span from five to ten years. Today LEGOLAND Billund has two high-pressure cleaners and the other LEGOLAND parks have adopted the method as well. Thanks to Erik's creative thinking, LEGOLAND Billund has saved 80% on maintenance costs."

This short story, called *Fading Colours*, is used to explain what the competency of *Business Drive* means in day-to-day operations. The message is clear: a true LEGO employee should possess a natural curiosity and have the creativity to continually search for better ways of doing things. And of equal importance, sensible business is nothing without initiative and drive. A different story explaining the competency of *Consumer* & *Brand Focus*, is a personal story from a young Japanese gentleman who works for LEGO Japan in Tokyo:

"I started working with the LEGO Company eight years ago when I was 22. I had a special reason for wanting to work for them. I was convinced that the LEGO brand had a strong potential for becoming popular among Japanese teenagers. Even at that time I had noticed that designers and musicians had started doing cool things with LEGO products.

"Then, four years ago, our Tokyo department received a request from a trendy shop named Vacuum Records, saying that they would like to start selling LEGO products. Vacuum Records had also realised that LEGO could become very popular among Japanese youth. At first our Tokyo office flatly denied the request. They had a hard time taking the idea seriously since Vacuum Records was just a small shop. But they did not give up that easily. One day, I received an enquiry from their managing director through our LEGO department in Osaka, where I was stationed at the time. We had a good meeting, and as it turned out, we had many of the same ideas. This was just the opportunity I had been waiting for.

"However, there were still several people in our organisation who were opposed to the idea. I had to fight to convince them. So we took it one step at a time and slowly started working with Vacuum Records. Together, we marketed LEGO products to teenagers and young Japanese—LEGO watches, key rings, bricks, T-shirts—spiced up along the way with some cool LEGO events. The interest was overwhelming.

"Since then the avalanche has really picked up speed. Today, many Japanese pop-stars are spokespeople for LEGO products—on their own initiative. They appear on TV and at



In Japan the LEGO brand has become a hit among teenagers—not just children.

concerts wearing LEGO T-shirts, which of course rubs off on ordinary people. It is spreading like ripples on water, trickling down to children. If their role models think that LEGO is cool, then the children will also start to like LEGO products. This just shows that the LEGO brand is for everybody—not just children."

The moral of the story is: Listen to what your customers are telling you and do not be afraid to think outside the box and fight for your ideas if they add value to the LEGO brand.

The many stories collected by the LEGO Company take place in a wide variety of contexts, and of course, the individual employee has to relate them to his or her working day. But no matter what, the concrete day-to-day stories still help to translate abstract management terminology into a language that every LEGO employee can understand, all the way from executive level to the manufacturing floor.

Every now and then new stories are added to the *LEGO Spirit* collection, and employees themselves have an opportunity to contribute with personal anecdotes. This way, the treasure box becomes a dynamic centre where the employees are the essence of the LEGO culture.

Ever since the storytelling initiative in 2000 the LEGO Company has been through a series of ups and downs. However, after three to four years of struggling to reach the organisation's inner core—quality, creativity, and play—the LEGO Company can once more proudly claim two-digit growth rates.

Who are the Heroes of Your Company?

The stories from 3M, STARK and the LEGO Company are all classic hero stories where the main characters represent the "good employee". They follow their hearts and solve challenges in a positive way. The hero becomes the embodiment of the values that management is trying to anchor in the organisation.

Hero stories are important in any company. They create morale and promote a shared image of "what we stand for", making it imperative that they support the company's brand. The the hero does not, however, have to be one individual person. An entire department, or a team may have achieved exceptional results.

Hero stories help to uncover which values really exist in the company. What are the hero stories told in your company?

- · What qualities does the hero possess in these stories?
- · What challenges and adversaries does the hero face?
- · What characterises these challenges?
- · How does the hero tackle these challenges?
- · What values lie in the message of the story?
- · Does the story support the company brand?

The Symbolic Significance of the CEO

The cases above show how employee stories can be used as a catalyst for the company's cultural values in-so-far as they are systemised and used strategically in internal communication. But the stories of the CEO and those surrounding him or her are also important in the internal branding process. The CEO has a symbolic position in any company, serving as a role model as to how employees should think and act. In order to use his or her position to strengthen the company's brand from within, the CEO has to be aware of the symbolic importance of his or her own actions, which ultimately show the path that the com-

TEST



In order to use his or her position to strengthen the company's brand from within, the CEO has to be aware of the symbolic importance of his or her own actions. pany is following. Especially in companies where personal contact between the CEO and the employees is rare, the staging of the CEO through storytelling is an important factor.

The stories surrounding a leader are often about his or her personal style of management. But they will often also be an expression of the values that the CEO wishes to anchor in the company. Former CEO of General Electric, Jack Welch, was known as a tough boss who preferred action to words.

Once upon a time, he gave a team of sales people a set of tasks to do. After a couple of weeks he met with the group for a status report. Much to his frustration and irritation, the group had only produced some probing analysis and a few tentative attempts to launch some new initiatives with other departments in the company. Jack Welch immediately adjourned the meeting, demanding that they meet again in four hours time when the group would be given a second chance to deliver a status report. Four hours later the group gathered again and Welch got his report. In those four hours, the group had got more work done than in all the preceding weeks put together.

In some companies, the CEO plays the lead role in stories both internally and externally. He or she becomes the StoryDriver of the company's core story. This is often the case in companies where visionary and charismatic founders manage the company themselves. Richard Branson is a textbook example of such a CEO. His personality and qualities form the core of the Virgin brand. The staging of Branson's actions constantly provide nourishment for storytelling, from his courtroom battles with the mighty British Airways, to his daredevil attempts to circumnavigate the globe in a hot air balloon. The core story of Virgin is thus told through the rebel who, with charm and sometimes blatant disrespect for hierarchy, breaks down barriers and challenges the establishment.

The staging of Branson's actions constantly provide nourishment for storytelling, The founder and former CEO of IKEA, the Swede Ingvar Kamprad, is known as a living example of his company's philosophy-but is very different from Branson. IKEA's central premise is to offer a wide assortment of functional, "designer" furniture at low prices. This concept is supported by cutting costs wherever possible, which is exactly what Ingvar Kamprad has always done. In the early days of his career, he would typically drive across Sweden to visit the different IKEA warehouses. Arriving in these different towns at night, he would park the car in the centre and walk the streets until he had found an inexpensive hotel. In the hotel room he would treat himself to a cold Coke from the minibar. The next morning he would replace it with a bottle from the local drug store. When visiting local IKEA warehouses he would arrive half an hour early. This would give him just enough time to go through the large containers for reject furniture outside the building, checking to see if there was any furniture that could still be used. Much to the distress of local store managers, Ingvar Kamprad would very often find e.g. a chair that he would claim to be in enough good condition to sell. He would confront the manager with his discovery, before going through every detail in the store.

As a CEO, Ingvar Kamprad was living proof of IKEA values and he showed the way for employees around the world, occasionally lending a helping hand. Once, a group of IKEA employees were going on a business trip abroad, when Ingvar Kamprad got a brilliant idea for minimising travel expenses. Instead of having the entire group fly back and forth, he arranged that half the group could fly to the destination and take the train back to Sweden, while the other half of the group could travel by train to get here, and then fly back.

Just like Richard Branson and Ingvar Kamprad, distinctive leaders are driven by their passion. They make no compromises and often go to extremes to achieve their goals. This "edge" creates potential for good stories because it challenges the ordinary and opens up to the unpredictable and surprising.

In only 40 years, Karl Toosbuy created the global shoe brand ECCO, famed around the world for quality and comfort. Today, the company employs more than 9.000 people worldwide, yet Toosbuy's passion for shoes runs through the veins of every department in the company. Since the infancy of ECCO, Toosbuy has preached that, "Everything is possible until proven otherwise." Striving for perfection, he never took 'no' for an answer, thus continually challenging the people around him to achieve goals they thought were unattainable. An employee at ECCO tells this story about Karl Toosbuy:

"When we first introduced one of our new production methods a few years back, one of the major problems we faced was changing the moulds. Each time we made a different sole we also had to change the mould on the machine, which took approximately 30 minutes each time. And it cost a lot of pairs in terms of missed production each time the machine stood still. Consequently, Toosbuy presented our production manager with a challenge: cut the downtime! He thought about the problem for a couple of weeks and eventually came back to Toosbuy's office in very high spirits, declaring that they had reduced the downtime to just two minutes! Toosbuy looked at him and said, "I was watching Formula 1 this weekend. It takes them 8.6 seconds to fuel the car, change four tires, and wipe the visor before they are back in the race. Are you truly pleased with your two minutes?" The production manager turned on his heels and went back to try again. Today the downtime for a mould change on the machine is less than two minutes."

Toosbuy-stories like this one are being told at ECCO every day. His spirit is deeply embedded in the company and leaves no doubt as to the level of commitment and perfection, which is expected from each and every ECCO employee—be they salesmen, designers, or people in production.

Stories of charismatic leaders catch fire as they are retold, becoming urban myths. They are repeated so often in various forms, that they achieve epic proportions and no one really knows if they are real or not. They become legends. But the symbolic meaning remains.

Take the urban myth of Maersk McKinney-Moller, the former CEO of A.P. Moller - Maersk Group, the largest shipping company in the world. According to corporate lore he once passed an employee on the stairs not wearing a tie and was so incensed that he fired him on the spot. A story like that has an incredibly powerful symbolic message about the culture of discipline at A.P. Moller - Maersk Group.

When a company is changing course the demands placed on a CEO to lead, gain additional importance. This happened in 1991 when Stanley Gault became CEO of Goodyear. He initiated many changes in the company and one of his top priorities was to reduce costs. Besides getting rid of all the company's limousines and five jets, he made another remarkably symbolic act in order to clearly communicate his message. He went through his entire office and removed 25 electric light bulbs from floor, table, and ceiling lamps, and worked in a darkened office with a mood like a nightclub. Stanley Gault had calculated that this measure would save \$230 annually. This prompted others to remove bulbs from offices and hallways to keep the lights turned off during daytime hours. This symbolic act became a good story that helped Stanley Gault communicate his message.

When a company is changing course the demands placed on a CEO to lead, gain additional importance. TEST



What is the Message of Your Story?

Any story is open to interpretation depending on the person listening. But the way the story is told and the ending of the story are also important. Hence, we need to bear in mind how we want the story to be interpreted before we start telling it. As storytellers, we must be aware of exactly the interpretation that we want the listener to reach.

How do you interpret the following story:

Once, two young and inexperienced product developers of a large company had what they thought to be a good idea. But despite their passion, management remained sceptical. When they presented their idea they were told to drop the project. Still, the keen young product developers did not give up. They continued tinkering with their idea in their spare time and when it came time to decide what projects the company was going to prioritise for the coming year, they presented their idea again. This time they succeeded in convincing management to go ahead with the project. Today the product is one of the company's top-selling items.

What is the moral of the story?

- · That management is incompetent?
- · That the company's decision-making process is too slow?
- · That willpower and belief in one's ideas pay off in the end?

Would your interpretation of the story change if the last three words "top selling items" were replaced with "biggest failures"? The point is, often it takes only a very few changes to alter the possible interpretations of a story. We need to meticulously work with everything from wording to intonation to get our message across as intended.

A Tool for Knowledge Sharing

Stories communicate values. But they also communicate knowledge. By exchanging stories we also share knowledge. It is said that stories are easier to remember than naked informa-

By exchanging stories we also share knowledge. tion. This is because, in stories, information is packaged in a meaningful context for us to better understand the depth and the relevance of the information. Some scientists believe that stories stimulate the use of the logical and creative parts of our brain at the same time. This means that we understand the information factually as well as visually and emotionally.

Several knowledge-based companies are making targeted use of storytelling as a *knowledge sharing* or *knowledge management* tool. In these companies, knowledge is worth millions. Yet, much knowledge is lost due to its not being shared across departments and between employees. In order to preserve this highly valuable resource, employee stories are being gathered and systemised making them available to the rest of the organisation.

Sharing Knowledge Through Stories at IBM

IBM has both internal and external experience with storytelling. Internally, they have made targeted use of storytelling for a number of specific projects. For example, storytelling is used to change or integration processes like the merging of two departments. Additionally, IBM also uses storytelling when sharing and embedding knowledge in the company.

As part of their work with knowledge management, IBM has also conducted continuous studies as to how and why stories make a difference when it comes to sharing knowledge among employees. One of their basic premises is that stories provide a simple and easily understandable means of communicating a complex problem. The following anecdote has been used many times to illustrate this exact point:

"A few years ago the tenants in a Manhattan office high-rise complained vigorously about the long wait for the elevators. Computer programmers were brought in to change the algorithms, but the complaints got worse. New, faster motors were



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IBM has conducted continuous studies as to how and why stories make a difference when it comes to sharing knowledge among employees. installed at considerable expense, but the complaints continued and many tenants threatened to move out. In desperation, the owner hired structural engineers to estimate the cost of installing additional elevator shafts. But the cost of installation, along with the reduced amount of rentable space would have been ruinous. At this point the owner's cousin suggested putting mirrors next to the elevators. They did, and the complaints stopped."

According to IBM, the anecdote describes how we draw hasty conclusions as to the cause of a problem in a given situation. The owner of the skyscraper was quick to identify the speed and effectiveness of the elevators as the problem, instead of looking into how the unpleasantness of the wait could be reduced. This is, in itself, a complex message, but through the story the point becomes beautifully simple. A story helps us identify the moral and the meaning, and thus it gives us a better basis for making the right decisions.

Based on this philosophy, IBM has used storytelling in numerous contexts for sharing complex knowledge between employees. In the US, IBM has employed a somewhat unusual method for sorting the valuable knowledge gained from finished projects. When IBM initiates and implements large projects in the million-dollar range, the process often spans several years. This makes each individual project unique, and no matter whether it is a success or a failure each project contributes valuable experiences and insight. In order to keep this knowledge from being lost and forgotten, the employees involved are asked to re-tell the process together. The session is videotaped, analysed, and made available to relevant personnel in the company. The result is a catalogue of best practice stories that help IBM to constantly improve its business while strengthening the brand from within. The approach is simple: group meetings in theatrical style. So is the technology: a video camera.

A story helps us identify the moral and the meaning, and thus it gives us a better basis for making the right decisions. By digging out stories and systemising them, management can prevent important information from being lost or isolated in specific departments. The large copier manufacturer, Xerox, came to the same conclusion some years ago. An internal investigation revealed that rather than looking in manuals or using expensive training courses, the most commonly used method for Xerox repair and service personnel to exchange information on how to deal with various problems in the field was to swap stories by the coffee machine or water cooler: a revelation that management soon put to good use. Xerox decided to gather these "coffee break stories" and structure them in an easily accessible database named *Eureka*: a database for "aha" experiences. According to former head researcher John Seely Brown, *Eureka* saves Xerox in excess of \$100 million annually.

Xerox decided to gather "coffee break stories" and structure them in an easily accessible database.

Kick Start Your Company's Storytelling Circulation

There are many applications for storytelling in the internal branding process. Stories can be used to communicate visions and values, to strengthen company culture, to manage the company through change, and to share knowledge across the organisation.

No matter what purpose the company may have in using storytelling internally, management needs to be clear about one thing: storytelling is a dynamic and continuous process. First the stories have to be identified and gathered, then they must be sorted and processed and finally they have to be communicated to the organisation in the right way. What follows is a continuous effort to get employees to take ownership of these stories in order to keep them embedded in the company. The circulation has to be maintained, otherwise the long-term effect will dissipate. Before the process can begin, however, the company must define a clear objective for the storytelling project. Criteria must be set as to what the stories have to communicate, which values those stories should support, and what employees should gain from them. TEST



In order to establish a storytelling circulation the company has to go through the following phases:

1) Searching

First the stories have to be gathered. This can be done via workshops or interviews with selected key personnel.

2) Sorting

The stories are listed and those with depth and relevance for the objective of the project are selected for further processing.

3) Shaping

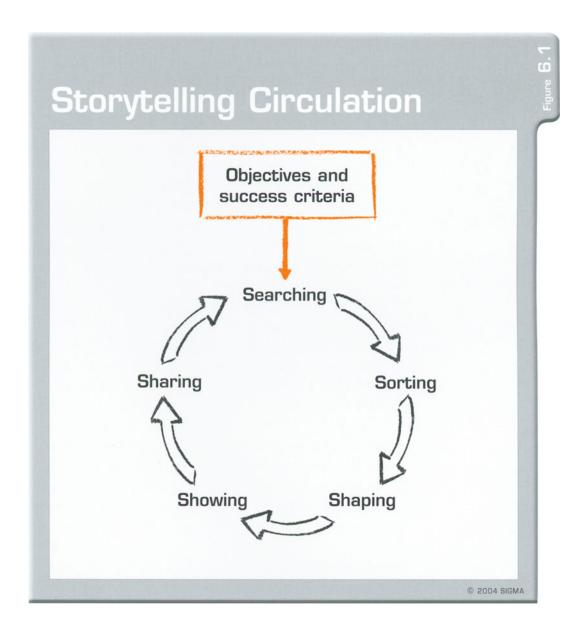
The selected stories are processed according to the four elements of storytelling in order to make them "tellable". Does the individual story have a logical sequence of actions with a conflict? Is there a hero and an adversary? Is the message clearly communicated?

4) Showing

Finally the stories are given a format in which to be communicated to employees. This may be done in the form of small video shorts on the company intranet, or a story booklet handed out to individual employees. At the same time, a strategy should be put in place for introducing the stories to the organisation in such a way that makes them visible and relevant to the right people.

5) Sharing

The management must ensure that the stories are told continuosly and in the relevant context so that employees can take ownership of them. When employees can see and understand the idea, they will be able to contribute with new stories. Collecting company stories becomes an ongoing process. Finally, management should consider how the company could establish a forum enabling employees to share their stories and thereby maintain and evolve the company culture. Figure 6.1 shows the five different stages in the storytelling circulation.



Marketing the Corporate Culture

Once you have harnessed authentic raw material like 3M, STARK, LEGO Company, and IBM the potential goes far beyond the four walls of the company. The next case, titled Hondamentalism, is an example of how the Japanese motor giant Honda marketed their corporate culture in a big external campaign based on the authentic stories.

Hondamentalism

In 2007, Honda was about to launch the new Honda Civic Type R, the high-end model series of the company. Only the very best Honda models are worthy of the predicate "Type R". "Type R" is a symbol of Honda's racing heritage*158—their long and proud tradition for developing racing cars and motorcycles. The company's founder, Soichiro Honda, is known for saying, "Without racing, there is no Honda."

The story behind the Type R series starts with Honda's first Formula 1 racing car, which was driven by British racing ace Richie Ginther back in 1964, and comes right up to 1990 when the newest model NSX Type R was given a test drive by the Brazilian Formula 1 legend himself, Ayrton Senna. Essentially, it's the story of champions.

But it's also the story of Honda's innovative engineers who, over the decades, have challenged ordinary ways of thinking and pushed the boundaries in their quest to create a unique car that could "out-speed" it competitors. As one of Honda's engineers put it:

"Cut this car in half and you will see our blood."

The sentiment also reflects the philosophy at Honda that real racing motors must be hand built. Among other things the engine's intake channels are polished manually, which means



less friction, more horsepower. To this day, all motors are hand built for the Type R series.

Dig deeper into Honda's authentic raw material and you will find a global base of pioneers and fans that pay tribute to Honda for its contribution to motor sport. From the professional motorcycle driver, John McGuiness, to the man behind the fastest vehicle in the world, the so-called "Ariel Atom" (with a Type R motor under the hood), to a community of English farmers who hold big motor races with Honda mini-tractors.

For the launch of the new Honda Civic Type R this unique storytelling raw material was boiled down to the concept Hondamentalism: a term that expresses the passion and driving force behind Honda's spirit of engineering.

Beside TV and print announcements the springboard for the campaign was a website—www1.honda.co.uk/hondamental-ism—with the following introduction:

"Soichiro Honda was the original hondamentalist; a man who loved racing and extreme engineering, pushing bikes, cars and boats to their limit, eeking the most out of everything right down to the smallest motor bolt. This is... HONDAMENTAL-ISM."

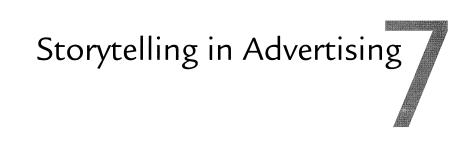
Here you will also find several short documentary films expressing authentic anecdotes about Soichiro Honda, whose principles and accomplishments have inspired and attracted the innovative minds of Honda throughout the years.

One of the stories entitled "Never Stop Learning", begins in June 1954 with Soichiro Honda being held up at the airport in Rome. He had three pieces of luggage. In the first were all of his clothes and personal belongings. The other two were packed with spare parts for motorcycles. On his way home from the legendary TT race on the Isle of Man, Mr. Honda had travelled through Europe to find the very best spare parts in order to stimulate his engineers. However, the airline had a strict policy stating that passengers were only allowed to bring two pieces of luggage. Guess which piece of luggage he left behind? Soichiro Honda sacrificed all of his clothes to bring back spare parts to the Honda factory where he immediately started preparing for the new TT race.

Another story called "Embracing Failure" is about a team of motorcycle riders from Honda who, filled with hope, competed in the great TT championship on the Isle of Man in 1959 filled with hope. Despite their efforts they didn't win a single race. They were literally eating the dust of their competitors. Luckily, Soichiro Honda is a big fan of failure saying: "When you fail, you also learn how *not* to fail." The story ends with the same Honda team returning to the Isle of Man two years later and winning the first five placements in all of their races.

At first, the campaign about the company culture at Honda was used as leverage for boosting an isolated product launch. Eventually it rubbed off on Honda's entire product portfolio and became proof of the brand's global marketing platform: "The Power of Dreams".





In marketing, storytelling is used both as part of the company's corporate branding strategy and as a sales promotional tool. This chapter presents various examples for how good stories can create identification, engagement and relevance.

Within the advertising industry storytelling is a given; an everpresent element in the sense that commercials have always told stories. Likewise, they have always used the four elements of storytelling in their pursuit of achieving consumer awareness and loyalty, be it television, online, radio, or magazines.

That said, increased consciousness of the power of storytelling has also left its mark on traditional advertising. Today, we see commercials using the art of storytelling in its purest form, especially as companies experience an increasingly urgent need to differentiate themselves from the competition, while giving their consumers an value-added experience that transcends the actual products. More and more companies are looking to create a story universe surrounding their products and services. In so doing, their story becomes the driving force behind their brand values, separating them from the grey masses.

Let's take a quick walk down memory lane to a time when commercial serials were popular, thereby placing the pure form of storytelling centrally in several companys' marketing campaigns.

More and more companies are looking to create a story universe surrounding their products and services.

The Appearance of the Serial Commercial

A phenomenon in advertising, which was developed during the late 1980s and throughout the 1990s, is the concept of TV commercials running as a serial. Inspired by the style and tone of feature movies and different television formats, including soap operas, dramas, and sitcoms, the action spans several individual episodes that uphold the overall story. The rise of the serial commercial seems to be a manifestation of storytelling in the world of advertising that has taken the genre into a realm as creative and sophisticated as filmmaking. The trademark of the serial is that the product and price focus is set aside in favour of a story that aims to entertain and involve the audience emotionally, in much the same way as we become involved in television series and feature films.

The popular television series, Moonlighting, which starred Bruce Willis and Cybil Shepherd paved the way for the first serial commercial in 1987, when Nestlé launched their campaign for NESCAFÉ Gold Blend in England. This would later prove to be one of the most enduring and popular advertising campaigns in British history.

Love Over Gold

Until 1987, English commercials for NESCAFÉ Gold Blend coffee had focused entirely on the product, emphasising the golden coffee bean as a symbol of their high quality coffee. But Nestlé was up against a challenge. Even though NESCAFÉ Gold Blend was doing well and had gained a position in the market as a gourmet coffee, the brand was not accessible to the majority of the buying public. It was really only known among coffee connoisseurs, and the rational product-focused message was only interesting to this limited audience. Nevertheless, NESCAFÉ Gold Blend was widely recognised: a fact, which Nestlé turned to their advantage. The objective was to keep the brand's position as a gourmet coffee, but to reposition it as a coffee with The trademark of the serial, is that that the product and price focus is set aside, in favour of a story that aims to entertain and involve the audience emotionally.

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a broad appeal that was accessible to everybody. The solution was to tell a story that would get the consumer emotionally involved in the brand.

The change from a rational product focus to an emotional universe resulted in a romantic everyday drama with wide public appeal. The Nestlé serial commercial, Love Over Gold, was the closest a commercial had ever come to being a soap opera. The commercials introduced two main characters-a man and a woman-who were neighbours in an upper-class apartment complex. From the onset it was clear to everyone that they were made for each other-the script oozed sexual innuendo-but each time you thought the couple was going to get together over a cup of NESCAFÉ Gold Blend, small occurrences kept interrupting them and getting in their way. Each episode ended on an emotional high with an unresolved ending, and as the chemistry and the flirting increased, the audience was left wanting more. This curiosity soon turned into addiction as audiences followed each episode to find out if the flirtation would ever blossom into an actual romance.

The English public took this small everyday drama to heart, especially women. The secret to its success? Emotional involvement. The actual product—instant coffee that tasted like the real thing—was a natural element in the story, but it was love and romance that communicated the message.

The first series was so popular that Nestlé decided to make twelve episodes instead of the original six. They ran for five years. It culminated with a bonanza showing all the original commercials and a fairy-tale ending in which viewers saw the happy couple disappearing into the sunset. More than 30 million viewers tuned in to see the hero finally utter the words "I love you". The next day, the two main characters were on the cover of The Sun. The story of the campaign led to two CDs

The Nestlé commercial serial, Love Over Gold, was the closest a commercial had ever come to being a soap opera. and a video, and in 1993 a new series was aired, introducing a new couple that repeated the success.

The campaign for NESCAFÉ Gold Blend was clearly structured based on the four elements of storytelling, and this example clearly shows how storytelling can make a difference in traditional marketing, provided the story has a solid structure and directly addresses the target audience. Taking its starting point in the values behind NESCAFÉ Gold Blend—"good taste" and "passion"—an entertaining story was told that got viewers' attention. The focus was on the characters and the action while the product took a back seat, though it still managed to play a crucial role in the development of the story.

More importantly, since 1987 NESCAFÉ Gold Blend has increased its sales by 60%.

A Long-Term Platform

The strength of a good story is that it can evolve over time. The characters get the space they need to develop their personalities and we get to know them better. If we can identify with the characters, chances are we will embrace the story. And as the conflict drives the story forward, we become more deeply involved and the commercial message is transmitted more easily, almost without our realising it. In the moment we engage in the story, we find it easier to swallow the sales message of the commercial.

Many leading advertisers have since tried to create their own storytelling universe as a long-term platform—whether the objective has been to sell products, increase knowledge, or strengthen their image. This has also happened on account of a pure buy and sell attitude where the goal has been to make the marketing investment more effective and ensure a satisfying cut-through based on the premise that a recurring story

Storytelling can create a long-term platform whether the objective is to sell products, increase knowledge, or strengthen an image. will ensure fast recognition and consolidate awareness of the brand once the theme and characters of the story have been established in the minds of the viewers. It is important not to underestimate the joy of recognition in a market where the great challenge lies in being remembered.

Many commercials use storytelling by referring to—or borrowing from—stories that we already know. Here, the communication depends on the prior knowledge of the viewer. By drawing attention to a known story, the company can familiarize their product or message within an already known universe and sidesteps the need to explain it all from the beginning. The launch of the Apple Macintosh computer in 1984 is perhaps the most classic example of this use of storytelling.



Apple and 1984

In 1976, Steve Jobs and Steve Wozniak founded the computer manufacturer Apple in California. Even in those days, the company already represented the human side of computer technology, breaking with norms and the way in which information was traditionally controlled within society.

The Macintosh was far more than just another new product when it was launched in 1984. To Apple it was a technological revolution that would change the world. This theme formed the basis for Apple's adaptation of the universe created in George Orwell's classic, 1984, in the advertising for the launch of the new Macintosh. The science fiction novel describes a totalitarian society where The Party controls all information and brainwashes the populace to adhere to the demands of the system. People are under constant supervision and the fear of The Party's mind police is ever present. But beneath the surface, a revolution quietly simmers.

With reference to the book, Apple staged itself as the rebel

fighting against the establishment. It became a story of how the new Macintosh would provide information technology tailored to the individual, giving him or her the opportunity to express themselves on their own terms. At the same time, the story painted a poignant picture of what the world might be like without Apple.

The commercial shows a terrifying, prison-like environment populated by a mass of tragic-looking people all wearing the same grey uniforms, all with the same expressionless faces, all marching along like robots. Eventually they congregate in front of a big screen projecting the image of an authoritarian leader who is blazingly saying the words, "Our unification of thought is a more powerful weapon than any fleet, or army on Earth." Simultaneously, the mind police start chasing a colourfully dressed young woman who lunges full speed at the big screen brandishing a large sledgehammer, which splinters it with a terrific crash. The commercial then cuts to the message, "On January 24th Apple Computer will introduce Macintosh. And you'll see why 1984 won't be like *1984*." This famous commercial was shot by one of Hollywood's great storytellers, Ridley Scott.

Choosing a story with such overtly political content was both contentious and risqué. Apple placed itself in the role of the hero, as the people's saviour, with more than the slightest suggestion that the adversary in the story was Big Blue, the nickname for IBM. At that time, IBM held a monopoly-like status on the market and was the natural exponent for the cold unification against which Apple was rebelling. Apple's basic message has not changed since. The company's brand has centred on the story of creative diversity and having the courage to think outside the box. With reference to the book, 1984, Apple staged itself as the rebel fighting against the establishment.

Apple's brand has centred on the story of creative diversity and having the courage to think outside the box.

In a market where the majority of the players compete on price

and technology, Apple still places people at the centre of everything they do. Technology has to work based on human premises—and not the other way around. Their soft values of individuality and creativity are reflected all the way through to the company logo: an apple of nature, with a bite taken out of it.

Today, more that 25 years later, Apple still faces the same conflict—but the stage is different. Before, the competition was IBM, now it is Microsoft and the PC universe that plays the role of the adversary. In Apple's latest commercial spots, "Hello, I'm a Mac. And I'm a PC", the conflict has been dramatised through the dialogue between two men, representing respectively the Mac and the PC. The Mac is laidback, modern, and youthful; the PC a chubby, nerdy office Joe wearing a shirt and tie. With this series Apple has once again managed to actualise and manifest their core story in a marketing universe—a core story that has created an extremely loyal customer base all around the globe over the last quarter of a century.

CASE

MEATRIX

Their idea was to exploit the hype around the third movie of the popular science fiction trilogy The Matrix.

The Meatrix

1984 is of course a classic in advertising history. But tapping into well-known stories as a communication tool does not have to be expensive or high-profile in order to be effective. That is what New York-based activist group GRACE (The Global Resource Action Center for the Environment), experienced when they launched a campaign to educate the public on the environmental and health risks of factory farming, while promoting support for sustainable food production.

As a non-profit organisation, GRACE had only limited funds for their campaign. So to get their message across they decided on an alternative approach, both creatively and strategically. Their first challenge was to find a way to explain a complex and somewhat unpleasant message to their target audience, especially young urban voters. Their idea was to exploit the hype around the third movie of the popular science fiction trilogy *The Matrix* featuring Hollywood star Keanu Reeves, by coming up with an online spoof version entitled *The Meatrix*. GRACE simply wrapped up their message in flash animation that ironically played up the plot of the original *Matrix* movie, namely, that we are trapped in a world that is nothing more than an illusion; a computer programmed world that blinds us to the gruesome reality.

Instead of Keanu Reeves, *The Meatrix* stars a young pig by the name of Leo who lives on a pleasant family farm... or so he thinks. In reality, Leo is trapped in the Meatrix—a fantasy world where small, family-run farms still exist. Leo is approached by a cow wearing shades and dressed in a long black trench coat. The cow is the wise and mysterious Moopheus who leads the farming resistance. He frees Leo from his delusions and shows him the ugly truth about the business of agriculture: that animals are mass-produced on factory farms, which are cruel to animals and destructive to the environment. The Meatrix is the lie we tell ourselves about where our food comes from, Moopheus explains to Leo.



GRACE wrapped up their message in flash animation that ironically played up the plot of the original Matrix movie at www.themeatrix.com. GRACE's animation argues that many people are still trapped in the Meatrix, believing that farmed animals roam freely on green hills and are gently "put to sleep" before being killed. The reality is, many of today's animals raised for food lead miserable lives.

The pig Leo eventually joins the resistance to stop factory farming and free others from the horrors of The Meatrix. GRACE asks their audience to do the same by offering a free "Eat Well Guide"—a national online guide to sustainablyraised meat—at the end of the animation.

GRACE made a smart strategic move by launching the Internet animation on the same day as the national release of the third *Matrix* movie, cleverly riding the wave of the publicity of the real movie, and thus maximising attention around their own campaign. The low-budget production became an explosive online hit. Barely a week after its launch, *The Meatrix* had been seen by more than 1 million individual Web users—an unprecedented success for an online advocacy film. Prior to launch, GRACE said that 150.000 visitors would be a success, but *The Meatrix* kept hitting e-mail inboxes nationally and internationally. "The film has gone truly viral", said Diane Hatz, a GRACE activist. "It is becoming a modern-day cult classic and it has enormously boosted our campaign to promote sustainable farming."

Though very simple, the campaign had several characteristics that help to explain its success. First, the actual story about factory farming that GRACE wanted to tell contained the crucial elements of storytelling—a strong message and a massive conflict: the fight against the big bad factories. Communicated as satire through the medium of a blockbuster movie—using its characters and plot—this somewhat prickly issue was made accessible to a broader audience. It clearly illustrates how powerful a story can be in getting a message across, if told in the right way and under the right circumstances. *The Meatrix* gained cult power as an informative, hard-hitting, and very cost-effective public awareness piece.

Telling the Real Story in Advertising

It sounds like a contradiction in terms, but when it comes to storytelling many companies ask whether the stories they use should be real or fictional. To this there is no definitive answer. As a general rule, the most important thing to keep in mind is that the basic premise of the story must be easily accessible to the audience.

One thing is certain: A story does not necessarily need to be true to work. Indeed, within the advertising genre, there is plenty of poetic licence to create fictional stories, which will still be credible and shine a positive light on the company brand. Your audience is well aware of the fact that the purpose of a TV commercial is to sell, and as consumers become more media savvy they also expect their commercials to have a certain entertainment value. The thing to bear in mind is that if the story is fictional, ethically you are bound to ensure that the audience is not misled in this respect.

In the previous chapter we showed how your company can identify and extract your real stories—the authentic raw material for storytelling. These stories can easily be used in both traditional advertising and marketing. And if the content is solid, and the message is strong and relevant to the target audience, they often provide an even greater degree of credibility. Let's end this chapter with three different examples of how authentic stories can be used in the company's marketing and sales activities. The Meatrix created an informative, hard-hitting, and very cost-effective public awareness piece.

A story does not necessarily need to be true to work.

CASE

CARIO MERO

Through simple e-mails Carlo Merolli uses storytelling as a targeted sales tool in his daily dialogue with the customers. E-wine

A long time ago in Rome, a former pope had the habit of washing his genitalia in a certain type of white wine. He allegedly did this to enhance his virility. Why the pope needed increased virility the story does not say. But the wine wholesaler, Carlo Merolli, used this anecdote to open an e-newsletter that he distributed to customers to draw attention to a couple of wines he discovered on a shopping trip to the fine vineyard of Roberto Trappolini, whose vineyards lie on the border between the Italian regions of Umbria and Latium.

Since 1996, when Carlo Merolli started an online Italian wine shop in Denmark, he has written a weekly e-mail filled with the stories of the wines on sale that week. The mailing list reaches wine enthusiasts all around the country and the number is slowly growing. Through simple e-mails Carlo Merolli uses storytelling as a targeted sales tool in his daily dialogue with his customers. In addition to good offers on selected wines, his customers also get a small, inspiring anecdote that they can easily share at the dinner table when serving the wine to family and friends. The story could be as simple as why a wine tastes the way it does, or something far more complex, such as why the wine has a special cultural importance. An offer on the red wine Amarone Le Ragose 1997, for example, starts with this wonderful introduction:

"In January 1432, the Venetian merchant Piero Querini set sail from the Greek Island of Crete for Belgium. The ship was laden with oil and wine, and with the money he made from selling them the merchant intended to trade Flemish embroideries and fabrics to the Venetian aristocracy. But the ship was dogged by storms and bad weather, and in the Bay of Biscay the main rudder broke. At this point some of the merchants on board abandoned ship hoping to make it to safe shores in a couple of life rafts. Querini and his men continued to drift on the Gulf Stream all the way to Lofoten, in the north of Norway. Following several dramatic days and nights stranded on the reef, Pietro Querini and his men were rescued by fishermen from the neighbouring island of Roest, and were warmly welcomed by her people marking the beginning of a fruitful relationship between Venice and Roest that would last centuries. Querini brought Norwegian stockfish with him back to Venice and Italy. And today, 90% of Lofoten stockfish (unsalted, dried white fish) are sold in Italy, while several Italian cities have enthusiastically adopted it into their local cuisine."

The story naturally leads to an offer on red wines that the Italians like to serve with stockfish: Amarone Le Ragose 1997, for example. In other words, the StoryDriver in Carlo Merolli's strategy is "the true story behind the product". These stories make his communication efforts more personal and add credibility to the value of the wines. They create vivid mental images, and, as a reader, you can almost smell the vines, feel the warm Mediterranean sun on your face, and the taste of wine. Carlo Merolli also tells stories about the winegrowers he does business with in such a way that the readers feel almost as if they personally know the man who picked the grapes that made the wine that is being offered at the end of the e-mail. Again, it is the human touch that plays the decisive role. An excerpt from one of Carlo Merolli's e-mails reads:

"Dear Wine Friends!

It is a true privilege to know and be good friends with the Sfiligoi family, the good people of the winery Villa Martina: Mario, the father and "Harem Chief," as he affectionately labels himself, his wife, and four daughters. Wines from his earth spring from the beautiful hills of Collio at the very northern tip of Italy. Mario explains that they are so close to the eastern Italian border that, "The red roofs over there, they are in Slovenia." Mario is a deeply old-fashioned man. His ideas about The StoryDriver in Carlo Merolli's strategy is "the true story behind the product".

family were already unfashionable in the Middle Ages. His take on society places him just on the political right of Genghis Khan. Yet, you will not find a shred of fanaticism or bitterness in his spirit. He works hard-16 hours every day-and knows every grapevine and every nook and cranny of his land. Contrarily but proudly, he admits of his daughter's work, "Before the young came, we knew nothing about the art of making wine. It went as it went, and that was that. We couldn't control the fermenting temperature and we ruined good grapes with our ignorance in the cellar." The "young" Patrizia is but 25, yet already has four years of experience as a licensed oenologist. In fact, she has total responsibility for the entire wine production. Tempers run high when the wine fields and the wine cellar form the basis of one of their discussions, but the old man has a venerable respect for his daughter's skills. "I have never made wines as good as this," he admits. And I haven't tasted wines as good as this coming out of Collio. Of course, there are other wines that constitute the district's elite, but the prices vary accordingly and the taste of wood is often far too dominating. In the wines of Villa Martina I rediscovered the human touch: the golden cut of wine, a reflection of the harmonic profile of the hills, and a juiciness that is subtly underlined by an almost coy application of the barrel; lowly wines, wines with character made by people who drink wine with their food."

Carlo Merolli is a fine example of the way that storytelling can be used in many different contexts. Expensive TV commercials and mass communication are not a precondition for the successful use of storytelling. The medium is not the decisive factor. An e-mail with a small anecdote told in a personal way that touches the listener can have an equally strong effect if the relevance and context are in tune.

Activating the sales force and the retail department

In this chapter we have seen many examples of how storytelling

can create a strong emotional bond with customers through television spots. But the reality is that the effect of television marketing has been decreasing steadily over the last ten years. Increasing numbers of channels and more fragmented media habits among consumers make it difficult and expensive to create resonance. Times are hard for the classic labels which in the glory days of television were created in 30 seconds television spots.

At the same time, the brutal truth for many brands is that they are highly dependent on good ambassadors in the sales departments, where the fight for the customer occurs. After all, if the salesperson who meets your customer face-to-face doesn't strongly believe in your story, how is heor she supposed to sell it to the customer?

The next two examples are of brands that have activated their authentic stories in "the moment of truth"—the fight for shelf space—when the customer must decide if it is you or your competitor's product that goes into the shopping cart.

Let's start with Miracle Whip—a classic brand in Kraft Food's portfolio—that dared to use the story behind the product in an attempt to reinvent their marketing platform in the eyes of the consumers.

The Sandwich Movement Brings a Taste of America To Retail Stores

Miracle Whip is a mayonnaise with deep roots in the American food culture. This story begins on a chilly autumn night in 1931 when a Kraft Food employee walked into Max Crossett's café in the state of Washington, USA. He ordered a salad with some of Max's "Xtra Fine Salad Dressing," famed locally for its unique taste. The Kraft employee was so excited about the dressing that he asked the proud Max Crossett if he could Times are hard for the classic labels which in the glory days of television were created in 30 seconds television spots.





buy the rights for the recipe. That evening, for \$300, the Kraft employee walked away with the secret recipe in his pocket.

Sticking to Max Crossett's original recipe, Kraft Foods experimented in order to give the product added finesse by putting it through engineer Charles Chapman's new invention, known as "the miracle whip" machine, because of its outstanding whipping technology. It turned Max Crossett's dressing into a light and creamy mayonnaise—perfect for a sandwich.

In 1933 Kraft Foods launched Max Crossett's original recipe as a new sandwich spread. They called it Miracle Whip. In the dark age of the Great Depression the taste of Miracle Whip added colour to the lives of many Americans and became an instant hit. While adding credibility historically to the statement that Miracle Whip is the "Original Sandwich Maker," this true story also partly reveals the secret behind its unique taste.

More than 70 years later, the story of Miracle Whip hasn't been forgotten. In 2004, the challenge facing Kraft was to find a credible way to tell the story while engaging the media, opinion leaders, retail departments, and consumers in the same set of values. In this case the classic product proclamation wasn't the way to go. As an up-to-date manifestation of their position as the "Original Sandwich Maker", Kraft decided to establish "The Sandwich Movement" based on the sad state of the sandwich culture in the cafés of Copenhagen. The objective was to raise the profile of fast "good" food in Denmark. Gourmet chefs, leading scientists, distributors of food culture, retail businesses, producers, and cafés all over Denmark supported the movement. All of them felt indignation and a shared responsibility in fighting against the unhealthy fast food culture that had established itself.

The Sandwich Movement's first initiative was a national sand-

While adding credibility historically to the statement that Miracle Whip is the "Original Sandwich Maker," this true story also partly reveals the secret behind its unique taste. wich show that challenged cafés and restaurants to make the healthiest, best-tasting sandwiches. The competition was a huge success and was widely covered by newspapers, radio, and television. The winner of the national sandwich show would have their recipe on the back of the Miracle Whip jar, thus echoing the story of the "Original Sandwich Maker".

This kicked off a nationwide sandwich tour targeting some of the biggest supermarkets in Denmark, where Miracle Whip arrived to tell them the story of the sandwich. They also presented them with a powerful concept for competition: in every city the town's best restaurant was to compete with the local fast food supplier in a competition based on the concept "slow food meets fast food". The obvious conflict meant that local media picked up on the story. Miracle Whip and Kraft Foods were mentioned in the media coverage, and, in many instances the authentic story about Miracle Whip was retold in the coverage.

In the retail market Miracle Whip's Sandwich Movement was a resounding success. Local store managers suddenly understood that they had been presented with a brand that gave extraordinary value to the store with extensive media coverage, increasing sales across the board. By using both their authentic story and thinking outside the box, Kraft succeeded in creating a strong coherence in their marketing campaign: one that engaged consumers, media, and stores in a different and credible way all in the same time.

BoConcept Turbo Boosts Their Sales Force

The retail furniture chain BoConcept became aware that they could improve their sales through storytelling when preparing to launch their new and extensive collection. With more than 340 sales locations in 48 countries, BoConcept is characterised by offering designer furniture for the hip urbanite at a fair The obvious conflict meant local media picked up on the story.

CASE



price. Curiously, loyal customers over the years had observed that the price didn't reflect the experience: it was too low. BoConcept responded, as one would expect, by raising the price on furniture prior to the launch of their new collection, but they brought with it a new set of rules: the sales team not only had to explain the furniture's design and quality to their customers; they also had to justify the increased price.

This wasn't made any easier by the fact that the sales team already had a tendency to use complex terms and technical descriptions in their daily dialogue with customers—terms that craftsmen, constructors, and designers used. Their challenge now was to translate this professional jargon into a clear, easy-to-understand language that would make the products relevant for their customers without compromising their integrity. They decided to use storytelling as their tool.

Sales staff were trained to tell simple stories about the kind of wood they used, e.g., that the pinewood used in their upholstered furniture—such as sofas and armchairs—is imported either from South Africa or Norway. Because of climactic differences the trees grow more slowly in Scandinavia than in South Africa and slow growth means that the fibres in the Scandinavian pine are stronger. Being a quality conscious firm, BoConcept always buys Nordic pine for this reason. It means the wood is more expensive, but the furniture lasts longer. This simple story made the construction considerations far more tangible and relevant to the customer.

The sales team was also equipped with an arsenal of stories about prominent customers, stories that they could share with more "ordinary" customers in the store. The story about the world famous golfer, Vijay Singh, is among these. Singh is such a big fan of BoConcept that one day he invited Jim Burnham, the owner of BoConcept in Jacksonville, Florida, for a round of golf. Vijay Singh also lives in Jacksonville and his esteem for BoConcept's service and quality has led him several occasions to show up with his assistants, caddy, and personal trainer to show, explain, and sell them the furniture. Stories like these abound, particularly in terms of how customers affluent enough to buy expensive designer furniture still choose Bo-Concept. They have become the company's best ambassadors, and the stories have proved invaluable to a sales team striving to emphasise the high quality of their products to the ordinary shopper. Meanwhile, the sales teams' own sense of pride was elevated by being part of it.

It wasn't only in customer-related messages that the storytelling project made a difference. Internally, BoConcept spread the day-to-day stories about the company's attitudes and products across the 48 nationalities, resulting in a stronger sense of unity across country borders, and new areas of functionality began to develop. The result was a new synergy between the product culture and the sales culture, which manifested as a strengthened self-confidence within the entire company.





The role of companies as storytellers has changed radically. Technological development and new digital possibilities are forcing them to pay attention to what their customers are telling them, and whether or not they like what they hear. In the following chapter we take a closer look at how digital media provides new opportunities for your company and customers to exchange stories.

Poul Petersen was an ordinary Dane, with an ordinary insurance policy, from an ordinary insurance company: Almindelig Brand Insurance. But he felt that he had been unfairly treated when they denied his claim of 27.000 Euros compensation for the serious damages caused to his house by a storm. Their handling of the case had, in his opinion, been extremely poor. He tried in vain to make Almindelig Brand listen to his point of view, but his attempts fell on deaf ears. Then Poul became so bitter that he decided to share his frustrations with the rest of the world. Poul built a simple Web site titled Screwed by the Insurance Company, where he told his story. It marked the beginning of a nightmare for Almindelig Brand. The story was good, it had great conflict and the rumour of the website spread like wildfire. By the time the site had reached 25.000 visitors, Poul celebrated its success by hosting an event to which he also invited the CEO of Almindelig Brand (who needless to say, didn't show up.) The party caught the attention of the media and the story ended up in the national news, while Almindelig Brand watched in stunned amazement. The site had reached 80.000 visitors before Poul Petersen finally got his money.

How many Poul Petersens do you have among your customers? It only takes one Poul Petersen before the avalanche gets rolling.

Companies are Losing Power

Companies are losing control over the information exchange and opinion forming that creates their brands. The former, one-way communication channel from company to market is *long gone*. And, with the advent of the Internet, there has been a permanent shift in the balance of power between company and consumer. Companies can tell their stories from now until the end of the world, but if their stories are out of sync with the stories of their customers, they will backfire sooner or later.

Through social media—sites like Facebook and Twitter—consumers are brought together in communities where they can share their opinions independent of time and place. Consumers and interest groups now have the power to mobilise far greater numbers and strength, and get their messages out more quickly and clearly than ever before. This means that brands can be created and destroyed in the blink of an eye.

Today, anybody with access to the Internet can take on the role of a storyteller with a global audience. You can do it by exchanging photos and videos on sites like Flickr and YouTube, or by expressing your beliefs and opinions on a personal blog. Going into the year 2009 it was estimated that 1.6 million blog entries are written on a daily basis—with a span of 180 million bloggers worldwide.

Online, the users are the rulers. This is expressed quite precisely on YouTube's tagline "Broadcast Yourself". It's all about staging ourselves, tapping into our longing for 15 minutes of fame, and an inherent need to share our personal stories with others. If you are going to put your brand and businesses out Companies are losing control of the information exchange and the opinion forming that creates their brands.

Brands can be created and destroyed in the blink of an eye.

there it demands that the story of your product or company be somewhat interesting.

The professional blogger and Brooklyn-resident Mike Arauz puts it this way:

"If I tell my Facebook friends about your brand, it's not because I like your brand, but rather because I like my friends."

The hierarchy is undeniable. It's not about the brand itself. It's about the social function that the story of the brand achieves in the dialogue between people. Thus, a new dimension within storytelling has occurred. In the new media environment, it is no longer just about telling stories. It is about listening and finding your role in a dialogue where your consumers are the directors. The rules of the game have changed. But instead of not daring to get involved, your company should embrace the new possibilities. Just ask the people at Sony.

Sony – 250.000 Bouncing Balls

Sony experienced the strength of the social media with the launch of their flat screen venture, Sony Bravia. But this was not a part of Sony's master plan at the beginning. The television promo of the campaign—since known as "the one with the bouncing balls"—was to be recorded in the streets of San Francisco. To communicate that Sony Bravia's LCD screens have "Colours Like No Other", 250.000 bouncing balls in all kinds of colours were set loose down the steep streets of the popular "hippie" city while the cameras rolled. Simultaneously, the cameras of citizens and tourists passing by recorded the event. And it wasn't long before the incredible sight of these mysterious bouncing balls started to propagate online among bloggers who uploaded amateur photographs and videos on Flickr and YouTube, long before the Sony campaign premiered.

The hierarchy is undeniable. It's not about the brand itself. It's about the social function that the story of the brand achieves in the dialogue between people.

SONY

According to the rumours, the intense online debate made the people responsible at Sony sweat: Would this damage the great launch? Would the campaign fail with flying colours? Understanding that what was already happening was impossible to stop, Sony chose to walk the line. Maybe, just maybe, within this curious outcome they had an opportunity to create a different kind of involvement with their consumers than through traditional means. The PR Manager for Sony Europe has since explained: "The initial blogging activity made us realise that people had a really warm feeling towards this ad campaign, so we wanted to encourage that as much as possible and let it roll on its own."

Sony didn't get actively involved in the online dialogue; instead, they discreetly fed bloggers with supporting material so that they could tell the story of the bouncing balls and the upcoming product launch themselves. Also Sony uploaded behind-the-scenes photos and videos for everyone to download on the Web site, www.bravia-advert.com. A week later an exclusive 60-second version of the forthcoming television spot appeared. Their strategy proved to be a success and the online buzz became the launch pad for the actual marketing effort. Tracking revealed that 17.500 different sites linked to www.bravia-advert.com where more than 2 million users had both visited the site and seen the film. It had been downloaded 40.000 times and it is estimated that the film had been seen 7 million times on Google Video, YouTube, and other video sites.

One of the people behind the improvised online campaign summed up the experience with the new media as follows: "I think this was a re-education process for Sony because this medium is not like traditional broadcast or banner advertising, where we can control the messaging. On these social media sites, the user is in control and all we can do is encourage the conversation to go in a particular direction."

Involve Your Customers in Your Storytelling

Through our own personal stories we approach each other as humans, build trust, and create relationships. The same is true of the relationships created between customer and company. These form the foundation of a strong brand. As improved digital developments create new frameworks for exchanging stories, they also open up new opportunities for strengthening the company's brand.

The link between branding and storytelling is increasingly pronounced in the digital age. The link between branding and storytelling is increasingly pronounced in the digital age. The massive exchange of opinions about companies and their products taking place on the Internet is, in itself, a free flowing exchange of stories. They cannot be controlled. But companies can try and catch these stories to get a better picture and understanding of what is being said and why.

Customer stories are a regular oil well, while the Internet offers the perfect drillbit for accessing them. Several companies have tried to establish a dialogue on the Internet—a sort of organised story or "brand community", if you will.

By gathering individual customer stories that can be used strategically in other contexts, your customers get to actively contribute to the making of the company brand. Involving your customers in this way adds serious credibility and substance to your business. Let us look at a few examples of companies that have used the Internet to gather stories.





The People's Car

Almost half the population of the United States has grown up with a Ford in the family. There, Ford is not just another car. It is a piece of Americana, built on pride and emotional attachment. For a time, visitors to Ford's Web site were encouraged to contribute their personal Ford stories—specifically about Ford's four-wheel-drive, off-road truck. One of those stories came from James Flaugher from North Carolina:

"My father and I were going to a job in northeast Texas and were pulling a gooseneck that was loaded with our sandblasting rig. The two trailers weighed about 17.000 lbs. together. We were following one of the ranchers and came upon a hill about a half a mile long. It was powder-dry red clay, and on top of that, it was very steep. Dad looked over and said, 'Here we go,' and put his foot to the floor. We made it about three quarters of the way up and buried the duals on both sides. The rancher tried to pull us out, but since he only had a two-wheel drive also, he just dug in the powder and nothing happened. We didn't move an inch. Just then we saw an oil field pumper and he was driving a Ford F-350 4x4 off-road. He came up the hill and offered to try to pull us to the top. He tied us on, and just as my dad started to let out the clutch, the pumper gave it that Powerstroke pull and pulled that entire show up the hill without any help from our truck at all. My father looked at me and said, 'my next truck is going to be a 4x4 off-road'. This all happened in 1992, and in 1994 he bought a Powerstroke 4x4 off-road and loves it. We own 14 Fords of all different makes and models in all, including tractors and 18 wheelers."

As American as this story is, it speaks volumes of the added value Ford gives to their customers. We sense the true affection that the customers feel for the Ford brand. The following story comes from Brian, in Michigan:

"My friend used to tease me about my little Ford 4x4. But the teasing stopped when I pulled his large Dodge Ram 4x4 out of the mud, twice. The same mud that sucked him in was passed over by my little truck like it wasn't there. It's hard to make fun of someone when you're sitting in a truck stuck in the middle of a mud hole."

For a time, visitors to Ford's Web site were encouraged to contribute their personal Ford-stories. When collecting stories for your company, it is important to keep in mind what those stories are going to contribute.

CASE



The company believed that sharing these human stories would reinforce the idea that Starbucks is a great destination for a date. When collecting stories for your company, it is important to keep in mind what those stories are going to contribute and how they can be used to specifically strengthen the company's brand and support the core story? Ford did not have a particular strategic aim with collecting these stories. They lie hidden far down on the corporate Web site. But in order for the stories to have an effect they need to be visible in the right context. Ford dealers could benefit greatly from a small arsenal of stories such as these to use in their daily sales work, especially if the car manufacturer survives the global financial crisis.

The following case from Starbucks shows how storytelling can be used to build a bridge between a company and their customers. In order to create a more explicit and natural link to their corporate brand, they launched a storytelling initiative in an attempt to establish a dialogue with their customers.

A Match Made Over Coffee

Over the years, employees at Starbucks have heard story after story of customer romances getting started in Starbucks coffeehouses. There were in fact stories about people who had met their future wives and husbands at Starbucks. A couple of times, people had even gotten married at Starbucks. People seemed to genuinely open-up in the casual, laid-back ambience of Starbucks coffeehouses.

The company decided to try to capture some of these stories and celebrate them with customers and media as part of a Valentine's Day push. The company believed that sharing these human stories would reinforce the idea that Starbucks is a great destination for a date or a chance meeting. Before moving forward with the idea, Starbucks sponsored a nationwide telephone survey that included more than 400 singles between the ages of 18 and 44. The survey revealed that more than three out of five adults (62%) believed that a couple that met in a coffeehouse has a better chance of succeeding in love than a couple that met in a bar. The reason being that bars tend to be noisy and expensive while a cosy café is somewhere safe and affordable.

The message that Americans are opting for coffee rather than cocktails in their search for romance created a perfect platform for the Starbucks initiative. On January 8th, 2003, as Valentine's Day approached, the company launched a national contest they called "A Match Made Over Coffee". looking for couples whose relationship sizzled in Starbucks outlets. To participate, entrants had to submit a true, 250-word essay to www.starbucks.com, explaining how they found love at Starbucks. The most creative, romantic and coffee-rich, true-love story would receive an all-expenses-paid trip for two to Vienna, Austria, the coffee capital of the world.

Starbucks received close to 600 entries. An independent panel of judges evaluated each essay based on romance factor (40%), creative presentation (30%) and the Starbucks Coffee connection (30%). A week before Valentine's day, four finalist essays were chosen from the hundreds of coffee courtship stories that poured in from around the nation. On February 14th, the winners were announced: Jacquelyn and John Kuehn from the state of Pennsylvania claimed the grand prize with their endearing coffee encounter. Jacquelyn Kuehn's essay read:

"Sunlight poured through the large Starbucks window ... The door opened, and my heart leapt as he walked in. I waved. The smile that lit up his face sent my pulse racing faster still ... John pulled out a chair and sat down close to me. I handed him a Caffé Mocha. 'I hope this is right,' I said. 'Perfect' ... Gently he took my left hand in his ... Reaching into his coat pocket, he extracted a small silver box. As he opened it, the sun lit up the diamond ... Slowly John slipped the cool, fiery ring onto my finger. His kiss melted tenderly on my lips ... 'Stick with me,' he whispered huskily, 'and you'll have exciting times.' 'Excuse me,' said a tentative voice nearby. We turned to see the Starbucks bartender looking uneasy. 'I couldn't help overhearing. Are you two just getting engaged?' John grinned. My ring glinted as I spoke. 'John wanted to present this to me over coffee. But actually,' I smiled, 'he just had it cleaned and polished. We're celebrating our 28th anniversary today.'"

The other finalist couples from New York, Maryland and Virginia each received a \$200 gift certificate for a restaurant in their city of residence. The couple from Maryland, Patrick and Krissy, met on a blind date arranged by Patrick's mother. "Divorce and dating again is hard enough", wrote Patrick on his entry. "Had I sunk so low that I needed my mother to fix me up on a date? I agreed to meet Krissy at Starbucks on Sunday afternoon... We have been together ever since, and are getting married August 8, 2003."

With the "A Match Made Over Coffee" contest, Starbucks hoped to highlight the emotional dimension of the brand, which revolves around their vision of the so-called "third place". The third place is the place between work and home where people congregate to find a sense of community; a place where you can be yourself and hang out—alone, or, with friends and family. In other words, Starbucks is more than quality coffee and handcrafted beverages—it's a certain experience, a certain atmosphere. And through these unique Starbucks stories, customers get to take part in a story about this "third place"—the ultimate Starbucks experience.

By tapping into these otherwise tacit stories, Starbucks invites their customers to become part of the brand. By tapping into these otherwise tacit stories, Starbucks invites their customers to become part of the brand, which is much more appealing than anything they could do through traditional advertising. In fact, Starbucks has only spent a modest 20 million dollars on traditional advertising over the past 20 years, during which time the company has grown from a mere 18 shops to more than 6.000 retail locations worldwide.

Much has happened since "A Match Made Over Coffee". The last couple of years have been tough on Starbucks. So tough, that in 2008 founder Howard Schultz—after eight years of absence—decided to come back as CEO. Among other things the company was criticised for forgetting the innovative and authentic nerve of the brand in the midst of their global success; a criticism that seriously impacted the bottomline.

In an interview with BusinessWeek in April 2008 Howard Schultz shared his mission to reconnect with the roots and entrepreneurial spirit that had once made the company a global success:

"I think we have an enormous opportunity to do two things: go back to our roots and reaffirm our leadership position as the world's highest-quality purveyor of specialty coffee. We're going to reinvent brewed coffee across America ... It reminds me of the old days when our company was very creative, very entrepreneurial, and we were fighting for survival and respect."

Schultz's first venture has been to launch a new first-class coffee for everyday enjoyment. With the name Pike Place Roast the coffee is named after Starbucks' first local coffee house at the Pike Place Market in the rainy city of Seattle—a symbolic gesture towards revitalising the company's story.

Schultz is well aware that it is not only from within that the energy for the revitalisation of the brand and product development must come. The customers and their needs also drive and define the unique Starbucks-experience of "the third place", which is why the company has launched the Web site, www.mystarbucksidea.com, as a sincere appeal to the global customers of the brand. Here, both satisfied and dissatisfied customers are encouraged to send in their suggestions for improving the experience of "the third place"—be it products, service, or something entirely different. Within a couple of days of the launch, thousands of customers had rushed to the new online forum to vote for the idea they wanted to see come to life in the actual coffee house.

Time will tell if Starbucks succeeds in transferring this global dialogue with their customers into concrete action that truly makes a difference in the struggle for getting Starbucks back on track.

The examples from Ford and Starbucks illustrate how companies can encourage their customers to share stories that highlight the brand universe. Some companies have even gone so far as to start inviting their target audience to take part in stories that transpire in their brand universe. This strategy involves customers on an emotional level through entertainment and drama, in order to tie them closer to the brand and communicate the company message indirectly through the story. Let's take a look at a brand that early on used interactive media to involve the target group in this way.

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Your Penpal is a Calvin Klein Model

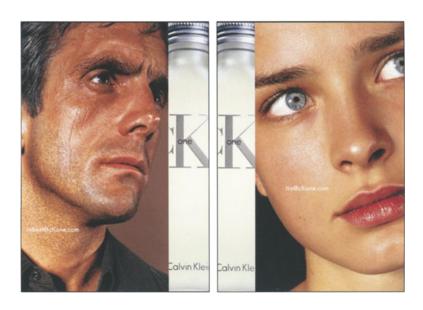
After seven successful years, sales of Calvin Klein's unisex perfume CK One started to slide. Something had to be done to reverse the dropping sales curve. And if the target audience primarily, fickle-minded teenagers—were to take an interest in the message, a completely new approach to communication was needed. In 1998, Calvin Klein launched a new branding campaign, moving CK One away from its androgynous image and bringing the brand closer to the universal theme of love. The result was an interesting take on storytelling in the digital age. The campaign was centred on a modern love drama with the goal of kick-starting a dialogue with the target group and getting them involved in the story. At Calvin Klein a number of characters were invented to play out the story through commercials, print ads, and billboards. At the same time, these characters' personal e-mail addresses were advertised, featuring ckone.com as the host. Robert was introduced with the address robert@ckone.com, Anna with the address anna@ckone. com and so on. It was an open invitation to the target audience to start communicating with the main characters of the campaign.

It was a simple enough concept. If you sent an e-mail to one of the characters, such as Anna, you got an e-mail back from Anna written as if it came from a friend: informal, confidential, and personal. An excerpt from one of her e-mails reads like this:

"I would have written sooner but I was scared my mom would walk in on my typing and catch me red-handed. She goes off to the drugstore right now, so I have about a half-hour window. You would not believe how screwed up an idea it was to have a party!"

The basic elements and the conflict of the story had been planned beforehand. The story was set within the world of a TV production company with Robert as the CEO. He was married to Patty and together they had a 15-year-old daughter, Anna, who was crazy about 18-year-old Danny, who later became a baseball player. Tia was a producer who worked for Robert. He fell in love with her and left his wife Patty. Ian the production assistant also fell for Tia. With the support of Kristy, Ian's best friend, Tia also became keen on Ian—until Ian and Kristy realised that they were into each other... Calvin Klein received hundreds of thousands of e-mails from people who were following the series. The story unfolded as a web of intriguing affairs and deceit intertwined in a love drama, which most of all resembled a juicy soap opera. Inevitably this tantalised the target audience to such an extent that Calvin Klein received hundreds of thousands of e-mails from people who were following the series and desperate to find out what happened next.

Traditional mass communication was used for only a brief period of time to create initial attention, but the story that played out through ordinary e-mails lasted more than three years. A scriptwriter was hired to develop the story and continuously write e-mails. He had complete artistic and creative freedom except for a few fixed rules: no drinking, no drugs, and no sex among teenagers. Furthermore, references to CK One or other perfumes were not allowed. References to the actual product were completely removed from the story line. The short e-mails were written frequently but with varied timing in order to make it more realistic. And in each mail, the characters revealed new details and secrets from their lives: who they were in love with, what they dreamed about, or what they were unhappy about, etc. By giving the main characters of the story the freedom to invite young people into their private universe, the campaign created an intimacy between the target audience and the CK One brand bringing it close to their lives in a completely new way. The story created a universe peppered with values with which the audience could easily identify. They could recognise themselves in the characters' problems, interests, and thoughts. And because the whole thing was played out in a form of communication popular with the target audience-e-mailit contributed to the illusion of an intimate and personal relationship with the characters. Several teenagers tried to influence the story by writing to a character to let them know if the other characters went behind their backs or trashed them. A group of teenage girls from the same school considered Anna their friend, and wrote in an e-mail, "We know that you are really a machine, but you should look out for Danny."



Print ads for CK One with Robert and Tia's e-mail addresses.

As a brand revitalisation tool, the story was extremely successful with enough substance to carry a long-term effort. The campaign lasted three years and ran in the US and several selected countries in Asia, South America, and Europe. More importantly, the campaign contributed to a significant increase in sales of CK One.

The basic principle of the Calvin Klein storytelling technique has been seen many times since. Nokia's launch of the new 7610 Supernova in 2008 is a good example. With the title "Somebody else's phone", the campaign focused on the personal relationship we have with our phones. The target audience was challenged with the question: If you suddenly found yourself in the possession of someone else's phone, would you be able to resist the urge to explore its content? A television campaign introduced three fictive characters—Jade, Lucas and Anna whom the viewers were encouraged to communicate with online. Here you could read their text messages and have a peek at their contacts. The whole story was staged with 4.000 pieces of film, photos, and text messages—all of them spread out on CK One's campaign lasted three years and contributed to a significant increase in sales. specific social websites such as Facebook and Twitter, and of course on www.somebodyelsesphone.com.

As examples from Nokia and Calvin Klein show, younger generations who have grown up with digital media are an obvious target audience for that kind of interactive storytelling. They are—as experts describe—"digital natives". Early on, Motorola, the second largest manufacturer of mobile phones in the world, came to the same conclusion: they also bet on branding through storytelling in a digital universe.

Motorola's Virtual Nightclub

Being "in" is important to teenagers and young people, and many of the products they buy are symbols of status. One of the most notable "in" accessories is, of course, the mobile phone. For many years, Nokia had a firm hold on the cool and fashionable crowd in Europe, while Motorola was more associated with the quiet guy who didn't always get past the front door when trying to get into nightclubs. To change that, Motorola created an unusual branding tool that used a different approach to storytelling, in order to change their image among teenagers and young people.

The tool was an online game, built around a story framework where the user took the lead role: effectively digital role-playing. The game was the driving force of a pan-European campaign aiming to strengthen Motorola's image. At the same time it also drew attention to Motorola's new mobile phone with its cool, fun features.

The virtual universe was created within a nightclub named PartyMoto, a favourite hangout of the stars. As part of the launch package, the user got to go to the opening party and meet the fixed set of characters that made up the regular clientele of PartyMoto: fashionistas, models, movie directors,

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Motorola's branding tool was an online game built on a story framework where the user took the lead role. playboys and stars. On the Web site, you could also read the stories behind each of the characters. John Yalla, for example, was a notorious playboy and the owner of the nightclub. He was famously quoted as saying, "This place is so sizzling hot that if I wasn't the owner, I doubt that even I would get in." Players also got to meet pop phenomenon Virginia Anderson who was famed for her audacious lyrics, husky voice, and "bunny girl" attire. And the colourful, creative fashion designer Chiquita Stylez who, based on her glamorous party outfits, had created a fashion empire of more than 150 employees.



Motorola's virtual nightclub at www.partymoto.com.

Before the user could start playing, he or she had to select a personal character. Male players could choose from a Hip Hopper with baggy pants, a Daddy Cool with a 1970s suit, or a slick Bond-type in a tux. As a girl, you got to be a less-is-more Disco Darling, a Hippie Chick with braided hair, or a Bitchy Babe in fishnet stockings. Alternatively you could design your own character and dress according to your own taste. And naturally, no matter whom you chose to be, you were equipped with the new, super-cool Motorola phone.

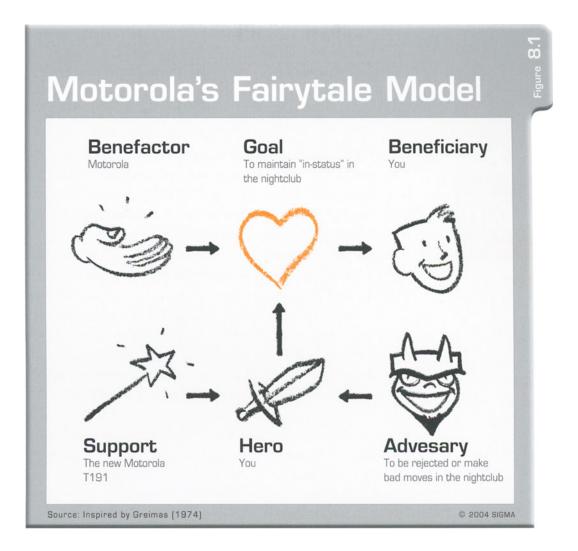
The game played out by chatting and sending secret SMSes to other gamers. You collected points depending on how you got along: Being ignored or rejected was bad, but if you managed to charm your target it could play out well. The more points you got, the more your status rose, until finally you were promoted from "bouncer-level" to "bar-level" to "DJ-level"; the top spot being the "celebrity lounge". Once the game was completed you could use your points to buy accessories for your mobile phone, cleverly bringing the storytelling universe back into the realm of product sales.

The story was driven forward by the challenges the user had to overcome in order to gain points. He or she had to prove whether they were "in" or not, based on whether they were able to win points in the nightclub of the stars using the Motorola mobile phone as a tool for achieving that goal. The campaign echoed a number of words and symbols already used in the zeitgeist of the target audience. At the same time, the story used the mobile phone as a status symbol and a "must-have" when it came to successful social interaction with friends. The Motorola brand had a visible position in the story and was explicitly connected to the "in" status, and the ability to manoeuvre socially in cool circles such as a nightclub.

If we analyse the structure of Motorola's story, based on the Fairytale Model, it looks like this:

Once the game was completed you could use your points to buy accessories for your mobile phone.

The Motorola brand has a visible position in the story and is explicitly connected to the "in" status.



Besides banner advertising, the game of PartyMoto was spread virally as users recommended the game to their friends. In order to participate, users had to register on the Web site creating an even bigger potential customer database for the company to utilise. The Godfather of digital storytelling was the American, Dana Atchley.

Now that we have seen various examples of how involvement and dialogue with customers increases the success of a company's work with storytelling, let us end this chapter with a success story that takes it to the next level: when customers are invited to contribute to the actual development of the company's product, thereby helping to create the exact foundation from which the stories arise.

LEGO: Fans Take Over The Factory

The Danish LEGO Company is among those businesses that have understood that traditional inside-out communication does not exploit the potential of social online media. Rather than fighting the loss of control that comes with an online dialogue about a company, LEGO saw an opportunity to engage their fans in the development of new products. Over the course of 11 months, four American fans helped develop a new generation of the robot product, LEGO Mindstorms. Their only motivation was their loyalty to the LEGO brand. LEGO Mindstorms' development was thus similar to that of the LEGO Hobby Train, which was developed and launched in 2007 with the inscription "Designed by LEGO fans".

These positive experiences later became the inspiration for a new online community targeted towards a broader group of LEGO fans: a virtual "LEGO Factory" that allows kids and fans worldwide to develop their own products.

With the help of free software, LEGO Digital Designer, the many fans can now build with virtual LEGO bricks and design their own digital models. These models can then be uploaded onto the LEGO Factory Web site and become inspiration for other fans who can respond or comment on these models, or provide each other with useful LEGO tips. They can also order bricks for their models online with the purpose of building the physical model at home.

In 2006, LEGO formed a unit within the organisation called

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Community, Education, and Direction (CED) whose only purpose lies in nursing the dialogue and sharing knowledge among fans, and establishing sales online, by mail or through the special LEGO Brand Stores. In 2008, sales through these channels accounted for 15% of LEGO's total turnover—double that of other LEGO sales outlets.





The media is a veritable war zone when it comes to storytelling. Every day the big stories battle for attention on television and radio, in newspapers and magazines, and on the Internet. This chapter outlines the basic rules for using the media to tell your company's story.

Journalists are always on the prowl for a good story. Many will even risk their lives to be the first to break an exclusive. The media are in general driven by the logic of storytelling, and rational arguments often fight a losing battle against emotionally based stories.

Sometimes, it is precisely this emotional hand tying that deters rationally thinking businessmen and women from entering a proactive dialogue with the media. Likewise, it is often the emotional agenda that causes so many companies to misjudge the media when trying to get their message across. But it doesn't have to be this way. By understanding the logic of storytelling, and the mechanisms by which the media operates, companies can use the media as a powerful ally when communicating their messages and stories.

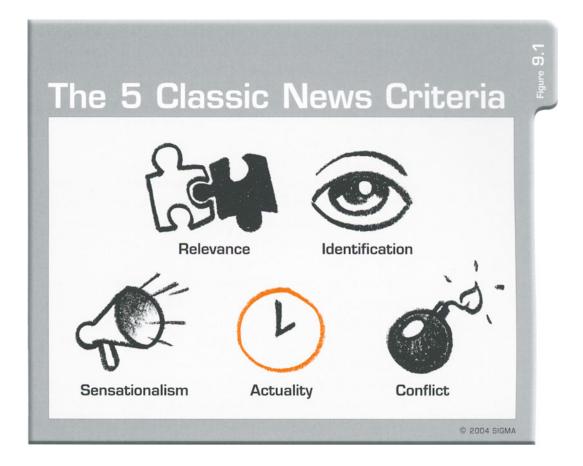
The Journalist's Story

A story about your company told by a journalist will always be more credible than if you tell it yourself. In addition to increased credibility, media exposure can also give widespread visibility, which would cost a fortune for the equivalent in advertising. Getting the media to tell your stories is an art form that can

It is precisely this emotional hand tying that deters rationally thinking businessmen and women from entering a proactive dialogue with the media.

A story about your company told by a journalist will always be more credible than if you tell yourself. have astonishing results. But remember, for all the positives, they can also work against you if they get their hands on a juicy story that is negative.

The media feed on and live off good stories. As such, it is important to keep in mind the four elements of storytelling (detailed in chapter 2) when you venture into the home playing field of the media. Among journalists, the four elements of storytelling are interpreted according to the five classic news criteria:



The first two criteria are fixed guideposts for journalists on the hunt for a good story: *conflict* and *identification*. It is no coincidence that stories of catastrophes and problems outweigh the sunshine stories in the daily news. Likewise, a journalist will always be on the look out for conflict when seeking tomorrow's story: ideally a conflict that centres on people and emotions. That said, it is important that the audience can identify with the story. Tabloid editors operate with two main identifiers: positive stories, which allow the audience to dream, "I wish it was me", and negative stories that make the reader shudder, "Thank goodness it wasn't."

In addition to conflict and identification, a good story needs a twist of something unusual. In an ideal scenario the "norm" will be turned upside down, or have an angle that we might not have seen so far. Journalists have a saying: "dog bites man" is a bad story, whereas "man bites dog" is great. This reasoning mirrors the fact that media are "turned on" by the unusual, or the unthinkable. In short, the closer a story is to a *sensation* the better. But the story must be *current*, especially for news media. The *actuality* of a story is vital if the story is to be worth telling. And lastly, the story must have a degree of *importance* or *relevance* to the intended target audience.

The five news criteria provide a helpful checklist when testing the measure of a story, and whether it would be of interest to the media or not.

A Picture Speaks a Thousand Words

Images speak a language we can all understand: the language of emotions. This is why the media is turned on by strong images. They do not necessarily have to be an actual picture, but they could be, for example, a metaphor, an analogy, or a strong headline that creates a mental image when we read the text.

The five news criteria provide a helpful checklist when testing the measure of a story. If your story has a strong image you have come far, but it must be an image that promotes the central message of the story. For example, the image could express the conflict of the story. A story will often be about a hero facing a challenge. Here you have the seed of the image already. Try to visualise the challenge: Does the hero have to cross a *flimsy bridge*, or navigate a *minefield of obstacles*? Even with no imagination at all, the images automatically start popping into your head.

The logical and rational arguments of the story have to be in place, of course, but in order to harness the interest of the media we need to transform our message through the logic of storytelling. We have to test our story against the five news criteria and structure the rational arguments of our message in a compelling way that contains both conflict and emotional content. We also have to think about how we can stage our story with either real or mental images, in order for the message to come across clearly.

Voluptuous Virgin vs. Curvy Coke

The media's thirst for strong images illustrates the benefits to staging stories. Richard Branson is a master of staging, as he demonstrated when he launched Virgin Cola, continuing his "David versus Goliath" struggle, a path he has followed in so many of the business areas where Virgin operates. "We hope to give Coke and Pepsi a run for their money. They are near monopolies", Branson said, throwing a punch at the giants. This was the conflict of the story: Virgin Cola takes up the fight against the established powers.

But Branson had been thinking about the story a long time before he broke the news of new Virgin Cola. During the product development stages he was already working the story into the product in a way that would catch the media's eye. The idea for the story was born one evening when Branson and his If your story has a strong image you have come far, but it must be an image that promotes the central message of the story.





During product development Branson was already working the story into the product in a way that would catch the media's eye. wife were at a dinner party with—among others—the popular Baywatch star and former playmate, Pamela Anderson. In the company of the sex symbol, Pamela, Branson started thinking about the classic Coke bottle, designed after the contours of the sex symbol of that time, Mae West. Branson must have thought: What better way to challenge Coke than by designing our new bottle after the contours of the biggest sex symbol of our own time, Pamela Anderson? Branson persuaded Pamela to go along with the idea, and the bottle of new Virgin Cola was born, designed after the luscious curves of the Baywatch-babe and marketed under the name The Pammy.



Pamela Anderson drinking her own Virgin Cola. With this move Branson got the strong image he needed to set the stage for his story about new Virgin Cola. With his usual provocative charm he challenged Coke in true Virgin fashion. Male cola drinkers across the world now had the chance to place their lips on a bottle depicting Pamela's ample curves. Branson himself added, "There's no point in doing business if you aren't having fun doing it."

At the product launch, the story was staged in style: in front of the world's press, a smiling Branson arrived with a saucy Pamela Anderson on his arm, a bottle of the new Virgin Cola at her lips. Branson had a story with plenty of conflict, identification, and news value—all boiled down into one powerful image. The show was staged for the global media, and at the same time the story supported the core story of Virgin: that of lust for adventure, and rebellion against the establishment.

Staging the Conflict

Richard Branson is not alone in his incredible media savvy. Stelios Haji-Ioannou, the founder of EasyJet, has the same flair for staging a good conflict for the media. EasyJet is just one of many companies in the EasyGroup, whose goal in life is to make life as easy and affordable as possible for the common man. Stelios will go into any field of business that neglects to do business with the customer in mind. It has to be simple, inexpensive, and easy for the customer. Hence the name: Easy.

When the airline GO appeared on the playing field, EasyJet got its first direct competitor on the low-cost routes and a rivalry was soon established. GO invited journalists on board the airline's maiden flight, an opportunity Stelios was not going to pass up. He booked ten seats on the plane, and when the day for the maiden flight came around, the plane was invaded by EasyJet executives all wearing the same orange uniforms worn by EasyJet's flight attendants. They lost no time on board busiBranson had a story with plenty of conflict, identification and news value – all boiled down into one powerful image. ly passing around EasyJet flyers to the other GO passengers. The story reported in the media about GO's maiden flight, was replaced by a story of the "hijacking" of the flight by EasyJet. Ultimately, the story with the strongest conflict and images stole the show.

EasyJet has since bought GO.

Find Your Angle

A journalist and his protégé once took a walk along the beach in a small fishing village. A black cloud closed in from the horizon. The journalist looked at his young friend and asked him to describe the scene in one headline. He thought about it for a while and then said, "Black clouds on the horizon". The journalist shook his head. "Where's your conflict, or, your readers' point of identification?" and offered an alternative headline, "Deadly storm threatens small fishing village". The young journalist looked at his mentor and asked, "But what if there is no deadly storm?" The journalist replied, "Small fishing village spared from deadly storm..."

The sharper your story, the better your chances it will be picked up by the media. This is your *angle*: the point at which the message of your story is crystal clear. You can't tell everything all at once, so you have to focus on what is most important. The more black and white the story, the sharper the angle. This also illustrates the media's inherent tendency to simplify reality. By using this prevailing logic wisely our story will become stronger.

For example, it is not sufficient that our story is about "love". We have to decide what kind of love the story is about. Is it an "unrequited love", a "first love", or a "love is blind" kind of a story? In short, we have to find the angle on our story about "love". If your company wants to announce that it is about to

The sharper your story, the better your chances it will be picked up by the media. merge with its main competitor, management has to consider the angle. Are you telling the story of "a new merger that will create the biggest company in the business", or the story of "a merger that will give customers more benefits." Both stories are about a merger, but they have very different angles. If we do not have an angle on the story ourselves, we risk that the media are not turned-on by the story either. Or worse, the journalists find a completely different angle that we may not like. The lesson? Find your angle before they do.

It was exactly this challenge that faced the Scandinavian confectionery company TOMS, when they wanted to launch their new website.

Giant Turtle Turns 50!

Most companies are deeply engaged in their own universe, which is only natural. But most of the events that you and your company think of as hugely important rarely constitute a cover story in the press, unless you understand how to angle the story to fit the logic of the media.

Toms found this out in the autumn of 2001 when the company launched its new Web site. The old site had received unusually harsh criticism in Denmark's leading business paper, Borsen, just two weeks before the new site was launched. Consequently, Toms were anxious to draw attention to their new site. But thousands of companies launch Web sites every day. This was not news. There was no conflict and no identification. Ultimately, there was no story.

In order to find a story that was strong enough to draw attention to their new site, Toms took a step back in time, to examine the raw material for storytelling within the company. A lot of Toms products are well-established, classic candies that have special meaning for the Danish population. And this formed

Toms

Most of the events that you and your company think of as hugely important rarely constitute a cover story in the press. How do you tell a new story based on some old-fashioned chocolates? A current approach was needed in order to capture the interest of the media. the basis of an idea for getting consumers to share their memories about the company and its products on the new Web site.

But how do you tell a new story based on old-fashioned chocolates? A current approach was needed in order to capture the interest of the media. As good timing would have it, Toms everpopular Giant Chocolate Turtle turned 50 that year. Here was a current event to celebrate. But the story still needed substance in order to generate interest from the media. By digging deeper into the story, it turned out that the shield of the Giant Chocolate Turtle hid a unique story with deep roots in Danish culture:

Back in the 1950s, there was a popular comic strip called Rasmus the Ostrich. However, when a national television station hired the story's creator, the comic strip was discontinued. After some time, the publisher decided to revive the Rasmus character and publish a book, commissioning the cartoonist Vilhelm Hansen to create a new Rasmus. Vilhelm came up with the "Turtle" Rasmus, which he presented to the publishing company, but the publisher wasn't keen on the idea of a hardshelled turtle. They deemed it too slow and not cuddly enough for readers. They wanted something soft and warm. Vilhelm was disappointed, but he did not give up on his turtle just like that. On his way home from the publisher, he passed Toms confectionery and offered them the sketches for the turtle to use in chocolate moulding, and in 1951, Toms Giant Chocolate Turtle was born. It was as simple as that. In 1967, the Turtle was upgraded with a delicious caramel crème filling, and it has not changed since. Back at the publishers, Vilhelm Hansen developed the comicbook bear that all Danes have come to know and love as Rasmus Klump: a sort of Danish Rupert the Bear. Meanwhile, Vilhelm had managed to convince the publisher to give the turtle a role as one of Rasmus Klump's loyal followers in his many adventures.

The story about the Giant Chocolate Turtle's origin, and its relationship to Rasmus Klump was further backed by the fact that the 50-year-old Turtle is the favourite chocolate of the Danish population. Danes consume more than 20 million Giant Chocolate Turtles every year, outselling Mars, Snickers, Twix, and Bounty in spite of the fact the Giant Chocolate Turtle has not been advertised for years.

Here Toms had a story with identification, actuality, conflict, and relevance. Not only that, they had a story about a treasured piece of Danish culture with a 50-year anniversary to celebrate. On top of that it had been leaving the large international competitors in the dust for years. Eureka! Toms had their story, and on this basis, the PR campaign behind the launch of Toms new Web site was born. The story of the Giant Chocolate Turtle was pitched to the media, encouraging readers and radio listeners to write to Toms with their own Giant Chocolate Turtle stories, using the new site to do so.

Danes loved it, and it was enthusiastically picked up by the printed press, TV news and radio stations. In fact, the most popular morning radio show, Strax, which airs for three hours every day from 9a.m. to noon grabbed the idea and hosted a "Giant Chocolate Turtle Day", with Toms sponsoring 1.000 Giant Chocolate Turtles. Listeners could call in with suggestions as to who should receive the 1.000 Giant Chocolate Turtles, and the best suggestion would get the honour of delivering the Turtles in person. One listener suggested giving the turtles to a refugee centre as a national symbol of welcome to Denmark.

Media coverage generated considerable traffic on Toms' new Web site, with consumers submitting their personal chocolate turtle stories. Using a story of cultural interest, the media helped Toms launch their new website in a way that captured public imagination. Emotions associated with the Giant ChoThe Giant Chocolate Turtle and the turtle from the comicbook Rasmus Klump were originally the same character.



© Rasmus Klump ApS/distr. PIB Copenhagen

Media coverage generated considerable traffic on TOMS' new website, with consumers submitting their personal chocolate turtle stories.



The Giant Chocolate Turtle —a symbol of Danish nostalgia and originality.

colate Turtle became the StoryDriver allowing the audience to become involved on a more personal level. Furthermore, the unique stories behind the products became, almost overnight, something quintessentially Danish, each earning their own special position in the shared consciousness of the Danish people. They gave Toms products a unique position alongside bigger, foreign confectionery companies.

The success of the Giant Chocolate Turtle story ultimately paved the way for a whole new brand strategy at Toms. For more than half a decade Toms had been focusing on price and physical product features in their marketing campaigns. But the Turtle story was an eye opener for Toms' management, realising that the essence of their brand was not about quality chocolate, but about Danish nostalgia and originality. Using their raw material for storytelling as a means to unfold the brand potential, Toms soon afterwards launched a new long-term marketing campaign strategy, positioning the brand under the story theme Danish Originals.

TEST



The Honing Exercise-The Cutting Edge

When it comes down to it, if we are to sell our story to the media, it needs to be cutting edge. And in order to adjust the story to fit the logic of the media, honing the content can do much to give the story the necessary edge. Put yourself in the position of a journalist and ask yourself, why should they cover your story?

- 1. What is the angle on the story?
- Accept that a story cannot tell it all. Start by focusing on the truly important issues and most interesting aspects of the story.
- Try formulating the story in one sentence, which concisely says, "This is a story about...".

- What sort of headline would it carry? The more black and white you can make the headline, the sharper the angle of the story will be.
- Ask the question: What should the audience be thinking once they have heard the story?
- 2. Are the five news criteria being met?
- Use the classical news criteria as a checklist. Try to optimise the story to meet every criterion. But remember, the story does not have to be sensationalist to be good.
- 3. Does your story carry a strong image?
- Your story will be stronger if it *speaks* in images. As an example, the story of a deadly storm threatening a tiny fishing village creates a strong mental image.
- It can be difficult to find an actual picture for a story built on facts and rational arguments. Try to invent a mental image or a metaphor for the message within the story.
- 4. Is the story tailored to the right media?
- Based on your target audience you need to select the correct media with the most relevance for the story. There's no use sending a fashion story to National Geographic.
- Of the relevant media, consider which individual editors would be most interested. Is it a business story? An IT story? A lifestyle story?
- Adjust the story accordingly to make it interesting for the individual media and their target audience. For example, the business aspect of the story needs to be emphasised if it is to be printed in the Financial Times, whereas you will be looking for something more sensational for The Sun.
- Consider how the story works within the context of the media you are aiming for. A story told on TV requires strong images, whereas a story on the Internet can encourage online feedback, or a wider debate.
- If you have tailored the angle of the story to individual media, you should be able to sell the same story across various types of media be it radio, the Internet, magazines, papers, or TV.

The key is in ensuring you have a good story to tell.

Engage Credible Narrators to Tell Your Story

Stage the conflict, find the angle, and adapt the story to the media. This work is absolutely necessary if you want the media to share your story. However, an important factor remains: credibility. Just as the media is the battlefield of storytelling, it is also the battlefield of credibility. No one wants to read a newspaper if they don't believe the integrity of the stories told, which is why you must have all of the *facts* of your story straight before going public with it. Ask yourself: How do I increase my story's credibility? Organisations are commercial, which is why you need to engage non-commercial storytellers if you wish to enhance credibility. It might be independent experts like icons within the business; people that the media would contact themselves if they were to tell a story within your area of expertise. It is also good practice to acid test the story's substance in order to establish dialogue with an independent expert. If you cannot engage the expert in your story, you probably cannot sell it to the media.

The last case study in this chapter is about building credibility into the launch of a new project within a business that is increasingly met with distrust and scepticism by the public.

Coloplast's Fight Against Painful Wounds

Since 1957, the Danish company, Coloplast, has marketed and sold nursing products within the areas of ostomy care, urology, and continence care, as well as wound and skin care. In 2006, the company was about to launch a groundbreaking product: a bandage for wounds with built-in ibuprofen that could reduce pain in chronic wounds. The product, 'Biatain-Ibu', opened up a whole new way of treating chronic wounds, which is why Coloplast opted to use PR as a means for creating global awareness and visibility. At the same time, the campaign was meant to boost the company's image since Coloplast at this time was unknown outside of a limited specialized, Danish audience.



The story is good. In Europe alone more that 9 million patients suffer in silence without getting sufficient relief from the pain in wounds that will not heal. For the first time someone had come up with a solution to the problem: one that was local, inventive and most of all effective. The story itself was compelling, but the challenge lay in arming the campaign with as much credibility as possible, and creating trust when it came to the media. Specifically, the goal was to make the media feel for patients when it came to informing them of and raising awareness of the new product.

For this reason, Coloplast started a dialogue with independent and non-commercial ambassadors for the problem and the product early on: wound care and pain experts, health economists, nurses, patients, and patient unions in several main areas. Before launching the product, Coloplast built up relations, testimonials, and cases that showed the substance in the story while directing media attention toward it. Many perspectives from different areas of expertise made the campaign credible and built a bridge between industry, experts, patient unions, and media. Coloplast could step back for a while and let the non-commercial ambassadors take the lead in telling authentic stories about the difference the product made. In this way, Coloplast's determination solving an overlooked issue was also acknowledged.

At the same time Coloplast succeeded in building media trust by telling the authentic story about the company's foundation and its unique development culture. On the media side the list of product advantages was replaced by a story that visualized these values and created identification.

Coloplast was created out of the love that nurse, Elise Sørensen, had for her sister Thora. At the age of 32 Thora had been ostomy operated and had felt socially isolated afterwards on acSpecifically, the goal was to make the media feel for patients when it came to informing them of and raising awareness of the new product.

Coloplast could step back for a while and let the non-commercial ambassadors take the lead in telling authentic stories about the difference the product made. count of her handicap. The solution back then was a metal box that smelt bad and made the disorder shameful. Elise did not accept this solution. Instead, she developed the world's first transportable ostomy bag to help ostomy patients lead a more social and dignified life.

Unfortunately, she didn't have any luck finding a collaborator for the production of the bag. Several manufacturers refused her, and the only reason why the idea became a reality is due to the excellent persuasive skills of a small plastic manufacturer's wife who was also a nurse.

The personal meeting with the patient, the will to listen to the patient's need, and finding solutions to the patient's problems are still the essence of Coloplast's company culture. Biatain-Ibu was, just like the ostomy bag, developed with an awareness of the personal experience of a patient's pain. Product developers discovered that patients with chronic wounds lived their daily life in terrible pain that normal treatments didn't reduce. Until then the focus had been on healing wounds, and in fact, a significant proportion of the research world had denied the possibility of chronic pain in wounds. As such, the development project came close to being shut down on several occasions. Thanks to a powerful determination the project was eventually completed.

The stories made the true values in Coloplast's company culture visible and generated sympathy. Both international opinion leaders and media wanted to work with the small Danish company and share the story about Elise Sørensen and the heartfelt and sincere efforts the company made for its patients. For example, one of France's leading researchers of pain chose to tell the "Elise story" to the media in his reflection over Biatain-Ibu. In this way, credible storytellers broke down media barriers and created a feeling of trust and faith in the product.

Biatain-Ibu was, just like the ostomy bag, developed with an awareness of the personal experience of a patient's pain. The story about pain in wounds and Biatain-Ibu was published in high profile media ranging from the BBC, *The Daily Mail*, *Deutzche Ärtzteblatt, Bild der Frau*, France Telecom, *Le Quotidien du Médecin*, and TV 2. Six months after the launch, the product achieved a degree of recognition of 90% among doctors and nurses in several main areas.

The stories made the true values in Coloplast's company culture visible and generated sympathy.



Tearing Down the Walls

"...and they all lived happily ever after."

We are all familiar with the ending of most classical fairytales. The conflict has been resolved, the moral has been delivered, and the prince has won his princess and half the kingdom. This book has no such happy ending. But it does have an open ending that offers further food for thought.

During the course of this book we have come full circle. We have looked at the four elements that constitute a good story. We have seen how storytelling can be used as a communication tool to strengthen the company's brand in various contexts, both internally and externally. And ultimately, we have established that all of a company's stories must point in the same direction in order to support the company's one core story. This is the precondition for creating a consistent brand that can penetrate a rapacious and noisy market.

Looking at the bigger picture, it becomes clear that storytelling and branding are inextricably linked with another fundamental issue of strategic communication: *holistic thinking*. In the end, storytelling is a powerful and creative branding tool, yes, but it is no miracle cure.

Stop Thinking in the Box!

Your customers get information about your company from all manner of different sources: the Internet, newspapers, television commercials, via customer services at the store, over the telephone, or, through friends and colleagues. At the same time, they are also in direct contact with your company's products. If all of these contact points do not provide a consistent experience for your customer, your brand loses power and credibility. Your core story is not being consolidated. To this end, your core story must be anchored throughout the entire

Storytelling and branding are inextricably linked with another fundamental issue of strategic communication: holistic thinking organisation and integrated across different departments and sections. This is the only way that the company can create and project a consistent "face" outwardly.

Dividing walls provide an image of the box thinking that separate company departments in more than just the physical sense: marketing are responsible for advertising; sales are responsible for selling and customer care; production are responsible for manufacturing products; human resources are responsible for personnel development; and here in communications, we are responsible for public relations. It is true we all have roles to fulfil, but first and foremost the various departments are part of the same brand, and are all equally responsible for its creation and development. To be truly holistic and to put forward a pure, strong message, all departments must share the same values and communicate the same core story, no matter the context.

Every single employee within his or her field must act as an individual ambassador for the company brand. If they do not, the brand will disintegrate from within. Your customers don't care what you call it—PR, marketing, advertising, in-store, or customer service—the fact is, whenever they come into contact with your company, the impression you make is stored as a mental image in their minds.

Before management considers using storytelling, their first challenge is to *knock down those walls*.

Often, this proposition catches management off guard: "But this will require a completely new organisational structure," is the common cry. Well, yes, or at least a new perspective on how things are done. Individual departments can easily remain in place, but their dividing walls—the psychological more so than the physical—have to come down. When each department Dividing walls provide an image of the box thinking that separate company departments in more than just the physical sense.

Every single employee must act as an individual ambassador for the company brand. If they do not, the brand will disintegrate from within. When each department creates its own segmented reality, the dilution of your brand is inevitable.

If your organisation cannot project one consistent core story, then how are you going to create a strong brand externally? creates its own segmented reality, the dilution of your brand is inevitable. There can only be one reality and it is rooted in the company brand. Employees across all different departments have to "live" the same core story. In short, the core brand values have to be anchored tightly within the entire organisation. This is the task facing management, and in order for it to be successful, it requires a tightly controlled, top-down approach to communication.

If your organisation cannot project one consistent core story, then how are you going to create a strong brand externally? A manager's typical reply would be something along the lines of: "That's what we use advertising for." But in today's consumer savvy climate that is a limited solution. If your employees cannot live up to the promise made to your consumers by the marketing department, it is only a matter of time before your message starts to lose credibility. It is not until the core story has been completely integrated into your organisation—from the inside out—that your company is ready for the holistic approach to external communication that safeguards your company's values.

Let us have a look at an example of what happens when walls separate a company's communication channels.

Candy for Breakfast

For the past 100 years, Kellogg's has been telling the same story about getting the best start to our day by eating a nutritious breakfast. Huge sums of money have been spent on maintaining that story. We see it in commercials, on print advertisements, and through in-store promotions in supermarkets.

But in the early 1990s, news broke in Denmark about the disturbingly high sugar and salt content of breakfast cereals. A sinister scene depicting children eating bowls of candy with

spoons accompanied the story. A scare scenario followed, drawing attention to the unhealthy junk that kids were consuming every day for breakfast. In the background, the observant viewer could see a cereal box that looked a lot like one of Kellogg's. The reaction from consumers was immediate and furious, and the entire breakfast cereal category was hit hard. As the market leader, Kellogg's registered a noticeable drop in sales the very next day, with Kellogg's Frosties hit especially hard.

What was not shown was the fact that Kellogg's invest huge sums of money into nutritional research, just as they do today, in order to safeguard the highest standards. Their mistake was that they had not told their consumers about it. In order to turn around this unfortunate development, Kellogg's initiated a proactive dialogue with nutritional experts about conducting an independent test of the available breakfast cereals. It was a safe gamble. Kellogg's knew that their products were of the highest standard. And the results of the test helped Kellogg's restore consumer confidence.

Creating a strong core story is not just about having a strong marketing concept. Kellogg's advertising and marketing said one thing. The news segment said another. Their consumers, fearing they had been duped, reacted at once with scepticism and outrage.

From this it is easy to see why a company's core story has to be incorporated into every possible situation, especially where the company is in touch with the external environment. And the core story has to be translated in such a way that it is relevant to all of the company's stakeholders. To Kellogg's, advertising equalled branding. But working within this box mentality tricked the company. Kellogg's had overlooked the fact that the brand also had to be consolidated in other contexts if they were to ensure a consistent and credible message. Equally, if A company's core story has to be incorporated into every possible situation, especially where the company is in touch with the external environment. And the core story has to be translated in such a way that it is relevant to all of the company's stakeholders. Kellogg's management team had made sure that the company's nutritionists and marketing department had co-ordinated their efforts and told the same story to their target audience, then Kellogg's could easily have avoided this situation in the first place; instead, internal "box thinking" spilled over into external communication.

This example illustrates why such rigid departmental walls present a threat to the company brand. In Kellogg's world, marketing and dialogue with external nutritionists were two separate issues. In reality though, these are just two communication channels that in the end reach the same audience-the consumer.

> It might sound easy just to say "tear down the walls", but it is actually very difficult to do in practice. Throughout this book we have shown how authentic stories can strengthen company culture across the business, however, let us just for a moment linger on the responsibility that lies on the head of the company when it comes to being the front man and facilitating the process.

Management as Figureheads

Silo mentality is often created slowly and unconsciously between departments with different expertise. The risk is that the functions develop their own agenda and interests. They might even create an internal competition. Thus, the negative consequences of silo mentality are many: the different function areas have difficulties working together as a team; the decision process becomes long and laborious; the focus on the market decreases; trust breaks down; and employees find is hard to see the common objective of the company. In order to get rid of the silo mentality one must focus on the company as a whole-across areas of function and within departments. The starting point is management, with each manager acting as an

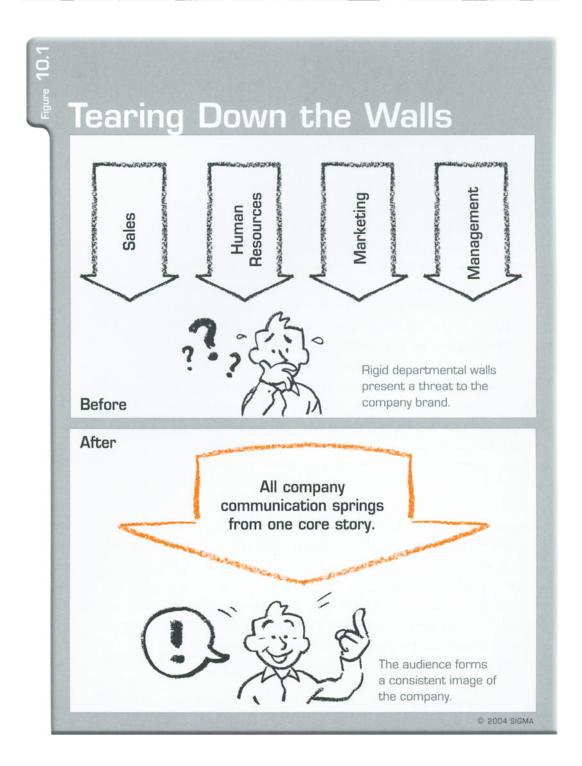
Rigid departmental walls present a threat to the company brand.

indisputable ambassador of the stories and values of the culture. The company will not see a meaningful change in their culture unless that common culture is anchored across the organisation with management at the helm.

Today, many organisations experience difficulties when trying to facilitate a cultural process by simply pointing out the company's vision, mission, and values. Unfortunately, it often becomes a semi-executed, top-down process that makes the values impracticable and irrelevant for the everyday life of the employees. Instead, a *bottom-up* approach is a good way to engage both internal and external stakeholders-across of areas of function-in telling their authentic stories. Asking and gathering stories gives every single employee a sense of recognition. Furthermore, stories from everyday life allow for a more recognisable and emotional understanding of the specific culture and behaviour than the company wishes to reflect. Authentic stories tear down silo mentality because they make the common culture visible and explain it in a universal language; one that combines the rational and the emotional while creating a sense of pride in the company as a whole and the main objective.

Anchoring the core story doesn't simply increase the efficiency, well-being and cooperation within the company, it also creates a springboard from which to communicate. It becomes easier to integrate different campaigns across the organisation, and you avoid mixing your messages—as shown in the example from Kellogg's—because you have managed to express a coherent story. It is crucial that the story customers hear about in the media is the same as the one the company expresses about itself, and that they experience in their dialogue with the company's employees. The company will not see a meaningful change in their culture unless that common culture is anchored across the organisation with management at the helm.

Anchoring the core story doesn't simply increase the efficiency, well-being and cooperation within the company, it also creates a springboard from which to communicate.



Once your company's core story has been securely anchored within your organisation, it is time to face the second challenge: *How to communicate the core story externally?*

Are You Getting Your Message Across?

In his book *Permission Marketing*, Seth Godin, one of the gurus of Internet marketing writes that in the course of one year we are exposed to one million commercial messages—that is 3.000 messages every day!

Just for the fun of it, try to think of three commercial messages that you have been exposed to within the last 24 hours? It could be a television commercial, a print advertisement, or a pop-up banner on the Internet. It is not that easy is it? And you are an expert in the field, or at least have some deeper interest in branding and communication, otherwise it is unlikely you would have made it all the way to this chapter. How many messages do you think get stored in the memory of an average consumer, considering they probably could not care less about advertising and sales talk? One or two? Three, if we are optimistic? Three out of several thousand! If this is even halfway true, then there must be a lot of companies out there who are wasting an awful lot of money on ineffective marketing.

Only the companies that really have something to say, and who consistently communicate their message through one core story have a chance of being remembered. But this is not enough. In order to penetrate the noise, be heard and remembered, you need to communicate intelligently. You need to ensure that media support the story's core message making it relevant and interesting for the company's target audience. And once again, this is dependent on a holistic approach.

Many companies have the misconception that traditional advertising is the only thing that drives branding. Advertis-

There must be a lot of companies who are wasting an awful lot of money on ineffective marketing.

Many companies have the misconception that traditional advertising is the only thing that drives branding. ing is important, no doubt, but it is far from being the only driver for branding. A company's external communication can be divided into two main categories: commercial and non-commercial messages. Commercial messages are usually sales oriented and include television commercials and other advertising with the company as the messenger. The company directly controls the content of these messages, which has the advantage of communicating exactly what you want, but at the same time reduces your credibility.

Non-commercial messages do not usually have the company as the direct messenger. Typically, they are presented in the form of television news stories, or in the printed press. But experts, opinion leaders or consumer groups, can also deliver them. These messages give extra credibility to your brand by the very fact that it is a third party, rather than your company, who is communicating them. Your company cannot buy this kind of statement. You need to have proven yourself worthy in order for independent experts to speak in your favour.

Figure 10.2

Commercial vs. non-commercial messages

Messages	Direct messenger	Media	Credibility
Commercial	The company	TV commercials and ads	Low
Non-commercial	Journalists, consumers, experts, or opinion leaders	Articles, expert panels, and TV news segments	High
		Republic to the factor	© 2004 S

To achieve reach and credibility in its communication, your company needs to employ a combination of commercial and non-commercial messages. And for most companies, their commercial messages clearly outweigh the non-commercial ones.

The Body Shop is a unique example of a company that has managed to manifest its core story mainly through non-commercial messages. In the beginning, the company spent virtually nothing on traditional advertising, living off publicity from media, consumer groups, and grassroots movements. This was the primary reason for the high level of respect and credibility that The Body Shop earned in its early years. Within the company, the chains surrounding individual departments had been smashed, but the strategy only worked because the founder of The Body Shop, Anita Roddick, had a strong message that pervaded the entire company. That message was backed by action. The story had substance, and employees lived the brand every day they went to work. Interestingly, since Anita Roddick stepped down as Managing Director in 1998, The Body Shop has experienced some difficulties in maintaining the strength and credibility of its core story.

Oticon Conquers the World

The highly regarded manufacturer of hearing aids, Oticon, also tore down its walls in 1997 when the company launched the world's first completely digital hearing aid, DigiFocus. A solid combination of commercial and non-commercial messages paved the way for the worldwide success of the product launch.

In Scandinavian business circles, Oticon was already known as the "spaghetti-organisation". This was the name given to the hyper-flexible management style of Lars Kolind, the CEO of Oticon at the time, whose intention was to promote innovation, drive, and creativity. But only a very few in the rest of the world In the beginning, The Body Shop spent virtually nothing on traditional advertising, living off publicity from media, consumer groups, and grassroots movements.

oticon

knew who Oticon were. Several industry competitors were hot on their tails in the development of similar digital hearing aids. It was all about getting there first. Oticon was under pressure.

Wrapping their message in the story of the "Computer in the ear", Oticon created a simple yet powerful image of the digital hearing aid. Step one was to develop one unified story as the platform for their campaign. Wrapping their message in the story of the "computer in the ear', Oticon created a simple yet powerful image of the digital hearing aid. A crucial factor in the words and pictures package that is so sought after by media.

Subsequently, Oticon set about developing the foundation of their story in order to maximise credibility. They entered into a proactive dialogue with those professional groups who were expected to be the most critical; their argument being that if you can convince your worst critics to give you the thumbs up, then you have a bulletproof foundation. In addition to testing the product with consumers—the hearing impaired—Oticon also contacted a number of neurologists, audiologists, brain scientists, IT experts, and chip specialists who gave their candid opinions of the product. Their enthusiasm was unprecedented. Experts from a wide variety of backgrounds all jumped to extol the possibilities of the new product.

With this scientific seal of approval and consumer tests as backup, Oticon began to roll out the story six months ahead of the actual launch of the product. Select journalists and media were introduced to the product and the background material. The result was comprehensive global media coverage, which was integrated with commercial messages through TV commercials, events, direct mail, and Internet activities.

Through tight management of the communication process, the same unified story of the "computer in the ear" was consistently communicated through all channels creating massive interest among trade and end-users, long before the product was even available in stores.

Through tight management of the communication process, the same unified story of the "computer in the ear" was consistently communicated through all channels. DigiFocus became a strong ambassador for the Oticon brand. Oticon was no longer seen as a manufacturing company, but as a pioneer in digital technology. Meanwhile, the company stock rate rose from index 395 to 1.100 in less than a year.

An Intelligent Strategy

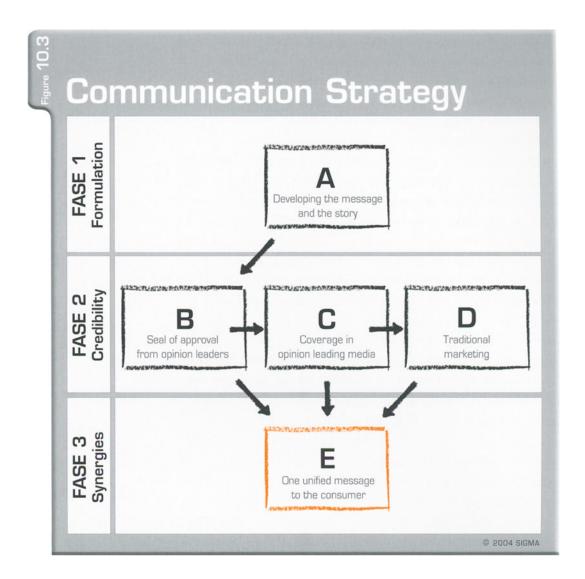
Oticon's success was no coincidence. The company had meticulously planned an intelligent strategy as to how the story could reach the largest possible audience with the greatest possible impact. First off, Oticon carefully followed the logic of the media. Secondly, the company practised the all-important ground rules for communicating one unified message across all media channels, thus ensuring that the audience heard the same story no matter where they went for information.

The process allowed Oticon to uncover the uniqueness of their culture as well as the product that was about to be launched. Initial research led them to the core of Oticon, after which the core story could be founded. Oticon's way of behaving—not just in the actual product launch, but in all company activities—had to be taken into account. As such they didn't just get the double-whammy, but ten times the effect from their communication because it was extremely credible. The path was paved for Oticon's future progress and development.

Oticon is far from being the only company to achieve success using this method. Even though the strategy is difficult to control in practice, the basic structure can be roughly illustrated in figure 10.3.

Oticon's stock rate rose from index 395 to 1.100 in less than a year.

Companies must practise this all-important ground rule: communicate one unified message across all media channels.



An opinion leader's seal of approval provides good leverage for selling the story to the media. Let us briefly run through every single step of the communication strategy:

A. Developing the message and the story

The precondition for communicating in the first place is that we have something to say. In order to make our communication efforts relevant to our target audience, any communication strategy must start by developing the story and the central message. Oticon had a groundbreaking product. But the challenge was to develop a good story that concisely explained what made the product so special. The result was the story of the "computer in the ear'. It was really about developing the core story for the product brand DigiFocus.

B. Getting a seal of approval from opinion leaders

When both story and message have been developed, the company has to make sure that the story is watertight. The best way to do this is to test your story on your toughest critics. Effectively, that means throwing your message to the lions and seeing what is left once they have gobbled it up. Remember that besides your customers, your toughest critics are usually professional experts and opinion leaders in the field.

In order to identify the right opinion leaders you need to think backwards. Find out to whom media go when they are looking for information about the subject in hand. Who do they listen to?

Test the message on opinion leaders from other worlds that have associated relevance within the story. Oticon contacted a wide spectrum of opinion leaders all the way from neurologists and brain scientists, to IT experts and chip specialists. The latter came from a completely different world than that at Oticon, but they were still highly relevant due to their insight into the latest computer technology. This helped put the story into context and show the depth and possibilities of the product; something the audiologists could not have done on their own.

The final objective for the company is to ally itself with opinion leaders around the common cause, and communicate the message through and with them. If the story of the company has Throw your message to the lions and see what is left once they have gobbled it up.

The final objective for the company is to ally itself with opinion leaders around the common cause, and communicate the message through and with them. real substance, then opinion leaders should enjoy the benefits of seeing their own causes linked to the story. Opinion leaders also need to promote themselves on a continuous basis if they are to remain relevant. As a rule of thumb, the company should be able to get a minimum of three independent opinion leaders to give their seal of approval. Three opinion leaders provide sufficient critical mass to eliminate any suspicions of chance.

This is the ultimate test. If the chosen opinion leaders had rejected the Oticon story, there would have been no basis for the strategy as it was carried out. Their opinion determined whether or not the company had to go back and rethink the message. Alternatively, the company can choose to take the conventional way out and try to penetrate the noise of their competitors with traditional marketing tools. But it is costly to yell that loud, and not nearly as credible.

C. Coverage in opinion leading media

An opinion leader's seal of approval, among other things, provides good leverage for selling the story to the media. If the company has not done its homework the media will soon find holes in the story, but with the support of opinion leaders this risk is dramatically reduced.

The company can also benefit from selling the story to a select few, relevant media that set the agenda within the field of the company. This was a strategy that Oticon used with great success. Once the opinion leading media have picked up the story, the wider media also begin to take an interest in the story. Ultimately, media feed on good stories, and they are constantly seeking inspiration for relevant content for their publications. They also look over each other's shoulders, and use more prolific media as their guide.

D. Traditional marketing

Once you have secured your seal of approval, and your chosen

An opinion leader's seal of approval, among other things, provides good leverage for selling the story to the media. media have picked up on the story, it is time to start employing more traditional forms of marketing. These include in-store activities, commercials, and other forms of advertising. On the strength of your non-commercial activities, your commercial messages will appear more credible by creating synergies across media, and directing the same unified message towards the end user (step E in figure 10.3). The timing of the strategy is vital. If traditional marketing is rolled out first, the benefits to be gained from the voices of opinion leaders and media will disappear.

Most companies overlook this effect. They run on autopilot and roll out the traditional marketing apparatus. They go directly from step A to step D, at best attempting to incorporate step C during the process. But often this is a parallel activity that takes place in the shadow of the traditional marketing effort. The true punch is only achieved when even their worst critics can see the potential in the story. This requires serious substance and a near perfect story.

By now you are probably thinking: "It's all well and good to have a nice, simple strategy, but it probably cost Oticon a fortune to launch a global campaign like that." Actually, the answer is "No", especially given the effect. TV coverage alone was achieved on more than 1.650 stations worldwide. The publicity caused the company's stock value to more than double. If your story is good enough, you can achieve amazing results with creative storytelling techniques and an intelligent strategy, even when your budgets are limited.

The launch of the American cult thriller *The Blair Witch Project* is an excellent example of just what you can do, even on the most limited resources. Once you have secured your seal of approval, and your chosen media have picked up on the story, it is time to start employing more traditional forms of marketing.

Most companies run on autopilot and roll out the traditional marketing apparatus. CASE



Bringing a Legend to Life

The combined investment for the film *The Blair Witch Project* was a meagre 34.000 Euros. But thanks to a clever campaign that ignited the mystery surrounding the movie, *The Blair Witch Project* ended up grossing more than 135 million Euros worldwide. Rumours of a horrifying "true" story were built up by systematically leaking information here and there, and building hype by word-of-mouth one year in advance of the movie premiere.

The rumour was spread that two young movie directors had found eight rolls of film in the woods surrounding the small town of Blair, in Maryland, USA. The tapes shed light on the disturbing fate of three college students, who had gone on an expedition into the woods in order to make a documentary about the mythical Blair Witch that had terrified the local community for centuries. The college students disappeared mysteriously, but thanks to the discovery of eight rolls of film, the truth about what had actually happened to them was finally out and had been made into a movie: a documentary thriller based on a true story. The campaign duped cinema-goers the world over.

In reality, the story was an ingeniously clever scam. The myth of the Blair Witch and the missing college students was the directors' idea. Through a carefully planned strategy that moved into an ethical grey area, they managed to distort the relationship between reality and fiction to such a degree that it *could* well have happened. First the fictive story was told in a limited forum. At selected colleges and trendy hangouts for young people in and around the town of Blair, posters of the missing college students appeared. At the same time the directors managed to air a "mock-umentary" on the science fiction channel SciFi channel, where the story was depicted as an actual event.

In reality, the story was an ingeniously clever scam. The myth of the Blair Witch and the missing college students was the directors' idea.



On www.blairwitch.com the world could see statements from the people of Blair, photos, and newscasts of the event. What nobody knew was that they were watching actors playing the role of police, newscasters, and relatives. On the Web site, there also appeared a historical timeline of all the mysterious events that had occurred in the woods surrounding Blair from the sixteenth century to the present day. They included stories of abducted children, witches, murders, ghosts, legends, strange symbols and insane hermits. The hype was at full throttle and more than 200.000 visitors had logged on to www.blairwitch. com before the movie even got to cinemas.

The massive interest also caught the eye of the media. Journalists across the world were quite literally goaded into solving the mystery surrounding the Blair Witch. Like everybody else they were fascinated. Aided by front covers on Time Magazine and Newsweek the myth spread to a worldwide audience. On December 2nd 1999 the Danish paper Politiken wrote, "The truth is that no matter how you twist and turn The Blair Witch Project, it remains a good story, and when it comes to good stories the media has no self control. No matter whether you look at the manipulation, or the 135 million Euros-or whether you actually like the movie-The Blair Witch Project is a damn good story, and faced with such the media are powerless. You think that you are writing critical journalism, but actually you end up in the big black pot, because every line you write adds to the myth and the blockbuster success. It is the realisation of these interconnected relations and the systematic exploitation of them that remains the greatest trick of the people behind The Blair Witch Project."

If the Blair Witch people had launched a traditional campaign via television commercials, print advertisements, and billboards, the story would never have gone so far. It would not have had the same credibility and punch. In what amounts The hype was at full throttle and more than 200.000 visitors had logged on to www. blairwitch.com before the movie even got to cinemas.

If the Blair Witch people had launched a traditional campaign via television commercials, print advertisements, and billboards, the story would never have gone so far. to arguably one of the most creative, if deceptive, marketing campaigns in history, *The Blair Witch Project* is an extreme example, but it serves to underline why the way in which we tell our stories, is decisive in the way we perceive it.

The strategy for *The Blair Witch Project* was exemplary. First the story was found. Then the strategy was planned. And finally the story was told in a systematic manner across media that could directly engage the target audience.

The Ending is Up to You

Where did Nora go? The question eats away at all who have read Henrik Ibsen's short story, "A Doll's House", about the housewife, Nora, who breaks with the stereotypical mould of everyday life and leaves her husband and children for a new life. But what kind of life? The ending is never resolved.

So what is to become of storytelling in relation to branding? Here the ending is also open. One thing, however, is for sure: we have reached a point where companies—like Nora—have to break with the prevailing conditions and think in radically new ways. The time of the rational argument is gone. Emotions are taking over. Development and progress require new ways of thinking. The culture has to drive the company forward, and storytelling is the engine that can get the movement going.

Rational businessmen and women who are most at home with boxes and diagrams, are afraid of this development. Meanwhile, our visionary leaders purposefully stride towards a future full of hope. The fact is there have never been as many exciting possibilities in terms of communication as there are today. Those companies that understand how to benefit from storytelling in communicating the values of their brand are in a strong position.

The culture has to drive the company forward, and storytelling is the engine that can get the movement going. In a surplus society, companies have to tell a strong story that clearly explains how they make a difference. It must be a story that we can remember and pass on, and one in which we can get involved. For this to happen, management must be prepared to tear down the walls that divide departments in categories and free the entire company to support the same unified story.

Hopefully, this book has opened a door. Maybe it has planted a seed that will enable your company to start telling its own story. The opportunities abound and the landscape lies wide open. The ending is all up to you. In a surplus society, companies have to tell a strong story that clearly explains how they make a difference.

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More information about SIGMA can be found at the following websites: www.sigma.dk or www.sigma/storytelling.dk.

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