THE BUSINESS OF BRANDING

In this unit, you will
- read about the branding of products and its importance for business.
- learn to identify main ideas and kinds of support in a text.
- increase your understanding of the target academic words for this unit.

<table>
<thead>
<tr>
<th>consume</th>
<th>corporate</th>
<th>label</th>
<th>register</th>
<th>symbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>contradict</td>
<td>equate</td>
<td>medium</td>
<td>revenue</td>
<td>theme</td>
</tr>
<tr>
<td>convert</td>
<td>finance</td>
<td>presume</td>
<td>subsidy</td>
<td></td>
</tr>
</tbody>
</table>

**SELF-ASSESSMENT OF TARGET WORDS**

Think carefully about how well you know each target word in this unit. Then, write it in the appropriate column in the chart.

<table>
<thead>
<tr>
<th>I have never seen the word before.</th>
<th>I have seen the word but am not sure what it means.</th>
<th>I understand the word when I see or hear it in a sentence.</th>
<th>I have tried to use the word, but I am not sure I am using it correctly.</th>
<th>I use the word with confidence in either speaking or writing.</th>
<th>I use the word with confidence, both in speaking and writing.</th>
</tr>
</thead>
</table>

**MORE WORDS YOU’LL NEED**

- **blog**: a Web log, a personal website on which someone expresses opinions or gives personal information
- **subculture**: a set of activities, objects, and beliefs associated with a group within a larger culture
BEFORE YOU READ

Read these questions. Discuss your answers in a small group.

1. Think about some basic products you buy (toothpaste, soft drinks, etc.). What brands are they? Try to list at least five products for which you usually choose the same brands.

2. Why do people often buy the same brand?

3. In your opinion, what is the highest-quality brand of car in the world? Why do you think so?

READ

This article is about the influence that a brand can have on its customers and their culture.

The Power of Branding

Let's say your company has been making athletic shoes for 50 or 60 years. They are good shoes. Nevertheless, other companies have sped past you in the race for fame and the revenue that goes with it. Products with the logos of the other companies are status symbols. Products with your logo make people think of basketball stars from the 1970s. To turn things around, you have to convert your product's old-fashioned image into something new, and make sure consumers get the message. They must equate your product with some larger idea that has nothing to do with shoes—beauty, prosperity, or even world peace. In other words, you have to build a brand.

From the ranch to Rolls Royce

The term brand comes from the practice of using a hot iron to burn a distinctive mark into the skin of a cow or a horse. For example, the owner of the Double Jay Ranch might brand a "J" mark on his stock. This brand helps the rancher distinguish his or her animals from others. The brand is a kind of label, a device for creating recognition. Branding on products is also all about recognition.

People equate the name Rolls Royce, for example, with classic luxury. The recognition value of this brand is enormous. It even registers with people who have never seen one of the company's cars. When the German company BMW bought the Rolls company in 1998, they were careful to change nothing. They continued to build cars in Greenwood, England, because Rolls Royce is thought of as British. Not even BMW—a powerful brand itself—has the same aristocratic image. Rolls Royce turned 100 years old in 2004, and the brand continues to use the themes of integrity, dependability, and even Britishness in its advertising.

1 have nothing to do with: not be related to or connected to
Rolls Royce drivers and NASCAR

As the story of Rolls Royce shows, an extremely successful brand may become an enduring part of a culture. When that happens to a brand with a worldwide presence, the company may get contradictory results. In its home culture, the brand may benefit from being a sort of national treasure; however, it may suffer overseas from being a symbol of foreignness. The McDonald’s restaurant franchise offers just one prominent case of a corporation fighting to guide its brand through these difficult waters.

Subcultures can form around a certain brand. NASCAR (the National Association for Stock Car Auto Racing) is in business to organize auto races and sell related products, but its brand is about much more than that. NASCAR was founded in the late 1940s and originally built its image around beachside racing in Daytona, Florida. It revised its brand through the 1980s and 1990s to appeal to a broader audience. Nearly 75 million Americans now consider themselves part of a NASCAR subculture.

Because NASCAR has a connection to such a large segment of the population, it is a medium in itself. It can finance many of its operations by, for instance, allowing its name to appear on products and selling advertising space alongside its racetracks.

My brand, myself

Among some strong brands, the line between promotional and personal image is unclear. Some customers may adopt a brand’s image as their own image. The ads for Nike shoes show no-nonsense athletes. A customer might buy Nike shoes because she considers herself a no-nonsense athlete—and she wants others to presume this, too.

Biker subculture in the United States owes a great deal to the branding success of the Harley-Davidson motorcycle company. Its American-manufactured motorbikes are promoted as a symbol of patriotism. Harley has also managed to turn its motorcycles into symbols of opposition to mainstream cultural values. In a radio interview, Harley-Davidson’s CEO, Jim Ziemer, points out one way his brand—and its black-and-orange logo—has become very personal.

Interviewer: When business school students study branding, one of the names that’s always at the top of that list is Harley-Davidson. I’d like you to tell me, first of all, in your mind, what is it that makes a brand?

Ziemer: A brand is made when a person really feels a connection with that brand. I mean, we’ve taken it to the ultimate, where a lot of our customers have a [Harley-Davidson] tattoo on their body so they really feel very special and connected with the brand.

The origins of branding, the hot irons and the Double Jay, seem not so far away.

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1 mainstream: representing the way most people in a culture think or behave
READING COMPREHENSION

Mark each sentence as T (true) or F (false) according to the information in Reading 1. Use the dictionary to help you understand new words.

1. Branding is the process of equating a product with an idea or image.
2. Ranchers brand animals by burning marks into their skin.
3. Rolls Royce is no longer a British corporation.
4. The Rolls Royce brand has lost revenue because it is associated with old things.
5. In many countries, people don't like to buy products with foreign brand names.
6. NASCAR is a political organization that has created a brand.
7. People often presume a person fits the image of a brand because he or she uses the brand's product.
8. Harley-Davidson motorcycles are manufactured outside the United States.
9. The Harley-Davidson brand is associated with classic luxury.
10. Some people have Harley-Davidson symbols tattooed on their skin.

READING STRATEGY: Finding the Main Idea

The main ideas in Reading 1 appear as “chunks,” and the different chunks are separated by headings. A chunk may consist of one paragraph or several paragraphs. Recognizing these chunks can help you see relationships between main ideas and details.

A. Use the list of phrases to identify the main idea of each chunk in Reading 1. Then, circle the paragraph number(s) to indicate which paragraph(s) make up the chunk.

- branding as a tool for recognition
- brands and one's self-image
- brands as part of culture
- why companies build brands

Chunk 1: why companies build brands  1 2 3 4 5 6 7 8
Chunk 2:                      1 2 3 4 5 6 7 8
Chunk 3:                      1 2 3 4 5 6 7 8
Chunk 4:                      1 2 3 4 5 6 7 8
One way writers support a main idea is by giving examples. You can often find phrases in a text that signal examples. Here are some common signals for examples in a text:

- for example...
- like...
- one way...
- for instance...
- such as...
- to illustrate...

### B. Complete the table by identifying the examples in Reading 1. Write the signals, the examples, and tell what they are examples of.

<table>
<thead>
<tr>
<th>Paragraph</th>
<th>Signal</th>
<th>Example</th>
<th>An example of…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paragraph 2</td>
<td>for example</td>
<td>the Double Jay brand</td>
<td>the branding of animals</td>
</tr>
<tr>
<td>Paragraph 4</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Paragraph 6</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Paragraph 8</td>
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<td></td>
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</tbody>
</table>

**STEP 1 VOCABULARY ACTIVITIES: Word Level**

A. Read these excerpts from another article about branding. For each excerpt, cross out the one word or phrase in parentheses with a different meaning from the other three choices. Compare answers with a partner.

1. A team from a university in Germany has found that the (symbols / revenues / logo / labels) of popular brands activated parts of the brain linked to self-identity and reward.

2. The researchers used magnetic resonance imaging (MRI) to study the brain activity of 20 men and women looking at the brand logos of insurance companies and car manufacturers. Then they (converted / compared / matched / related) the MRI data to maps that show specific regions of the brain.

3. They discovered that well-known brands activated parts of the brain associated with positive emotions, self-identity, and reward. Less well-known brands (registered with / made an impression on / had an effect on / harmed) parts of the brain associated with negative emotional responses.

4. He said, “Marketing is all about learning by association. (Companies / Corporations / Departments / Firms) constantly push the same image over and over again from a variety of media.”

5. “So people (associate / equate / connect / reward) a famous brand with positive imagery, and you would expect that positive imagery to produce positive emotional responses.”
As an adjective, the word medium refers to anything that is not large and not small, but somewhere between, as in “a person of medium height.”

As a noun, however, medium has a completely different meaning. It refers to a way to convey or send something. The plural form is media.

Some chemical reactions require a medium to help them happen.

Television and radio are popular media for getting the news.

B. What is each of these things a medium for? List as many things as you can. Discuss your ideas with a partner.

1. a newspaper: ........................................................................................................
2. the telephone system: ...........................................................................................
3. a letter: ...................................................................................................................
4. the postal service: ..................................................................................................
5. the Internet: ...........................................................................................................
6. gossip: ...................................................................................................................

The verb subsidize means “to give money to someone or an organization to help pay for something.” The noun is subsidy.

The city subsidizes ambulance companies in order to keep the price of their services low.

These companies could not continue to operate without subsidies from the city.

C. Read these pairs of items. With a partner, write down some ways that the first item might subsidize the second. Then, in a small group, discuss whether you think the subsidies should exist or should continue. Give reasons for your opinions.

1. parent/child's education: ......................................................................................
2. government/students: ..........................................................................................
3. government/small businesses: ..............................................................................
4. employer/employee's healthcare: .........................................................................
5. employer/employee's education: .........................................................................
6. local government/rent: .......................................................................................
### STEP II VOCABULARY ACTIVITIES: Sentence Level

<table>
<thead>
<tr>
<th>Noun</th>
<th>Verb</th>
<th>Adjective</th>
<th>Adverb</th>
</tr>
</thead>
<tbody>
<tr>
<td>consumption</td>
<td>consume</td>
<td>consumable</td>
<td></td>
</tr>
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<td>corporate</td>
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<tr>
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<tr>
<td>symbolism</td>
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</tr>
<tr>
<td>theme</td>
<td></td>
<td>thematic</td>
<td>thematically</td>
</tr>
</tbody>
</table>

D. Read these excerpts from another article about branding. Then, in your notebook, restate the essential information, using the words in parentheses. Focus on main ideas and leave out unnecessary details. Be prepared to read aloud or discuss your sentences in class.

1. Your first big decision should be: How will you get your brand out to the public? (consumer)

2. If you decide to advertise, first decide what role the ads will play in your business development plan. (corporate)

3. What idea do you want your products to represent? How will they represent it? (symbolize)

4. Is your goal in advertising to promote name awareness? One insurance company, AFLAC, uses a duck in all their ads. The duck appears in different situations where a person might need insurance and quacks “AFLAC.” Now 90% of Americans recognize the company’s name. (theme)

5. Test your ad ideas before you spend money on them. Teens are especially hard to target. They chew up images in a few weeks and go on looking for the next meal. (consume)

6. To illustrate this point, the government once spent $929 million on an anti-drug campaign targeted at teens. They thought the ads would be very powerful, but they didn’t test them on teens. After the ads started running, they discovered that kids ignored them. (presumed)
Some verbs collocate with—often occur with—certain prepositions. These sets of words are called collocations. Here are some examples of collocations for target words in this unit:

- **convert to/into**
  
  A transformer **converts** one type of electric current **into** another.

- **equate with**
  
  Teenagers often **equate** unusual clothes **with** personal freedom.

- **register with**
  
  I don’t like this ad. The images just don’t **register** with me.

- **finance by/with**
  
  Youth sports programs **finance** their activities **by** selling tickets.
  
  They **finance** their activities **with** the revenue from ticket sales.

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E. Answer these questions in your notebook, using the verb in parentheses. Be sure to use a preposition that collocates with it. Refer to Reading 1 for information. Compare answers with a partner.

1. Why are symbols like the Rolls Royce badge or the Harley-Davidson logo so powerful? **(register)**
2. Why does a weak brand harm the sales of a product? **(equate)**
3. How do the license fees for NASCAR’s name help the organization? **(finance)**
4. Why would a stronger brand help the shoe company mentioned in Paragraph 1 of the reading? **(convert)**

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### READING 2

#### BEFORE YOU READ

Read these questions. Discuss your answers in a small group.

1. Name some smaller groups within the society where you live—your class, your school, or even your generation. What makes these small groups different from others?
2. Do you look for brand names when you shop for clothes, or do brands not matter to you? Do you usually buy clothes of a few certain brands? Why?
3. How do young people often make themselves different from their parents? With clothes? Music? Other things?
My Brand Is Me

Aaron Bondaroff is 29. A-Ron, as he is also known, has a very high opinion of his own importance in the youth culture of Lower Manhattan in New York. As far as he is concerned, you can presume that every cool person south of Delancey Street will like what he likes. No need to ask them what they want. Ask him. A-Ron has been asking himself a question lately: "How do I turn my lifestyle into a business?"

Bondaroff dropped out of high school at age 15 to live a wild life and hang out with the people who were worth hanging out with. He got a job in Lower Manhattan at a store selling items with the "Supreme" name on them. Theoretically a skateboard brand, Supreme was really a brand about attitude. In his store, clerks would insult you to your face if you weren't cool enough. A-Ron was not only cool enough, he was photographed for Supreme ads and became its "unofficial face." Supreme caught on in Japan. By the time Bondaroff was 21, he was visiting Tokyo and getting asked for autographs by kids who had seen his picture in magazines. They weren't exactly sure who he was. They just equated his image with fame and style. One fan called him the guy who "gets famous for doing nothing."

While still working a retail job, he was also making a business out of being a cool guy. A group in Australia paid for him to come there to discuss new trends. His elaborate birthday party was subsidized by Nike. He was figuring out that he had the option of becoming a "culture expert." He concluded that there was no reason to rent his coolness to other companies. If they could earn revenue from his great taste, he figured, he could earn even more.

Young people have always found fresh ways to rebel, express individuality, or form subculture communities: new art, new music, new literature, new films, new forms of leisure, or even whole new media forms. A-Ron's preferred form of expression, however, is none of those things. He calls it "aNYthing". He talks about it as something bold, radical, and anti-big business. He makes it sound like some very hip independent film company or a punk band. In fact, aNYthing is just a brand. A-Ron puts the label on T-shirts, hats, and other items, which he sells in his own store, among other places.

Part of the aNYthing product line

This might seem strange, since most of us think of branding as a thoroughly corporate practice. It's what huge companies do, and it involves financial assets in the tens of millions. After all, a 30-second TV ad can cost as much as $2.5 million.

Branding is both simpler and more complicated than that. It is basically the process of attaching an idea to a product. The item for sale becomes the symbol of an attractive quality or idea. Decades ago that idea might have been trustworthiness, effectiveness, or reasonable price—qualities that related directly to the product. Over time, the ideas have become more abstract. Branding persuades people to consume the idea by consuming the product. In its modern form, branding ties a product not to one idea but to an entire theme, such as
nonconformity or achievement. A strong brand becomes a form of identity.

Of course, companies don’t go into business to express a particular point of view. They have stuff to sell, and this has nothing to do with beliefs or ideals. We all know that corporate branding is just a way to get our money. And that fact registers with cool, street-wise guys like A-Ron better than with anybody. Which is why it seems so contradictory to claim that a brand is rebellious. Branding is a form of personal expression? Independent businesses are a means of dropping out? Turning your lifestyle into a business is rebellious?

And yet thousands and thousands of young people are following in A-Ron’s path. They are turned off by the world of shopping malls and big-box stores. They see alternative businesses as the perfect tool of protest. Some of these discontented young people design furniture and housewares or convert their handicraft hobbies into businesses. Others make toys or paint sneakers. Many of them see their businesses as not only non-corporate but also anti-corporate. They protest culture’s materialism with their own style of materialism. In other words, they see products and brands as a medium for creative expression.

A-Ron has branded himself, but it is not a brand with a large range. How does your brand get bigger when it is, essentially, just you? He is tying aNYthing to more projects — music, books, even a documentary film. His blog announces the latest parties and offers pictures of the cool people dropping by his store. He has been thinking about whether he can open a store in Japan. He seems to think he can be to the world what he believes he is to Lower Manhattan.

1 nonconformity: behavior or thinking that is different from most people in society

READING COMPREHENSION

Mark each sentence as T(true) or F(false) according to the information in Reading 2. Use the dictionary to help you understand new words.

1. A-Ron owns a corporation in New York City called “Supreme.”  
   T/F

2. A-Ron presumes himself to be an expert on what young people like.  
   T/F

3. Companies have sent A-Ron to Japan and Australia so he can find out what is popular among young people there.  
   T/F

4. The brand name “aNYthing” is attached to a film company, a musical group, and clothing.  
   T/F

5. A-Ron wants his brand to symbolize opposing the power of large companies.  
   T/F

6. His earlier success has given A-Ron millions of dollars to promote his brand.  
   T/F

7. Brands today emphasize reliability and price less than brands of the past did.  
   T/F

8. A-Ron does not understand that companies use brands mostly to make money.  
   T/F

9. Alternative businesses are often set up to express a dislike of large corporations.  
   T/F

10. A-Ron has closed his store and now sells products only on the Internet.  
    T/F
READING STRATEGY

Read the details from Reading 2 in the box. Decide which main idea each detail is related to and write it in the appropriate column. Look back at Reading 2 if necessary. Discuss your answers with a partner.

<table>
<thead>
<tr>
<th>a blog</th>
<th>materialism</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-Ron as a culture expert</td>
<td>music, books, and a documentary film</td>
</tr>
<tr>
<td>companies with stuff to sell</td>
<td>nonconformity or achievement</td>
</tr>
<tr>
<td>furniture shops</td>
<td>south of Delancey Street</td>
</tr>
<tr>
<td>labels on T-shirts</td>
<td>the cost of a TV ad</td>
</tr>
</tbody>
</table>

Who is A-Ron?  
**A-Ron as a culture expert**

What is aNYthing?  

How branding works  

Products as a form of rebellion

STEP 1 VOCABULARY ACTIVITIES: Word Level

A. Complete the sentences about the movie *Wag the Dog* by using the target vocabulary in the box. Use each item one time. The synonyms in parentheses can help you.

1. In the 1997 comedy film *Wag the Dog*, advisers to the U.S. President make up a fake war so that a scandal involving the President will not ... *(get the attention of)*

2. A Hollywood producer is hired to ...................... the abstract idea of a war into something the American public can see. Essentially, his job is to brand the war and sell it to America.

3. First, he finds ways to silence any ...................... arguments about the war by building a powerful image machine. He has special songs written for the fake war and creates fake news reports in Hollywood film studios. *(continue)*
4. The producer hires a team of specialists headed by “The Fad King.” King’s talent is knowing what Americans will accept and how to package it.

5. King’s job is to sway public opinion to support the fake war. He invents and products to go along with the show.

6. For example, he believes Americans will wear armbands that are a specific shade of green, because that color was popular in cars the previous year.

7. King arranges for events to happen. The news accept these as real events, and soon the public believes them, too.

8. One of Wag the Dog is that, when expertly manipulated, the public is willing to brand images with reality. In the end, even though it is all fiction, the “war” is a success because it has a strong enough brand.

B. Read the sample sentences that feature forms of the word convert. Then, answer the questions that follow. Use your dictionary as suggested. Compare answers with a partner.

a. In a process called friction, mechanical energy is converted into heat energy.

b. The Environmental Coalition supports the conversion of old coal-burning power plants into modern plants.

c. Late in life, Peter Mortenson became a convert to a religion called Pangeism.

d. If you snap a set of wheels onto the blade, this ice skate is convertible into a roller skate.

1. In the sample sentences in the box, what is converted in each case? What is it converted into?
   a. .................................................. into ..................................................
   b. .................................................. into ..................................................
   c. .................................................. into ..................................................
   d. .................................................. into ..................................................

2. Look at the sample sentences in your dictionary for convert and its forms. What is being converted in each of those samples? What is it converted into?

3. Does convert have any forms that are not used in the sample sentences in the box above? If so, what are they? Consult your dictionary.
STEP II VOCABULARY ACTIVITIES: Sentence Level

<table>
<thead>
<tr>
<th>Noun</th>
<th>Verb</th>
<th>Adjective</th>
<th>Adverb</th>
</tr>
</thead>
<tbody>
<tr>
<td>contradiction</td>
<td>contradict</td>
<td>contradictory</td>
<td>contradicting</td>
</tr>
</tbody>
</table>

C. Answer these questions in your notebook, using the forms of contradict in parentheses. Use each form of the word at least once. Refer to Reading 2 for information. Discuss your answers in a small group.

1. Why does the author of Reading 2 think it's unusual for young people to establish brands as a **way of rebelling**? (contradictory or contradiction)

2. Imagine a meeting of A-Ron and other culturally influential people from Lower Manhattan. How would these others react if A-Ron claims he is the top expert on the subculture there? (contradict)

3. Look again at the description of the store named “Supreme.” Do you find anything strange about the store? What? (contradictory or contradiction)

4. The author writes, “They protest culture’s materialism with their own style of materialism.” Explain what this means. (contradictory)

D. Imagine that a financial institution is trying to find images that might help it build its brand. Which symbols would be most likely to register with potential clients? Rank them from 1 (most appealing) to 8 (least appealing).

...a field of spring flowers in the sunshine
...big buildings in a city center
...a strong dog protecting a family
...a large ship sailing calmly on rough waters
...a fortress or castle
...a young couple, smiling and relaxed

As a class, make a chart on the board and tally everyone’s answers. Write a summary of the results using some of the target vocabulary from this unit. Include answers to these questions: Which symbol does your class think is the most effective for a bank to use? Least effective? Why?

*This form is rarely used. It is more common to see “in a contradictory way” or “in contradiction.”*
E. Look at these arguments for and against common branding practices. Restate each idea in your notebook, using some form of the word in parentheses. Then write a paragraph that expresses your own opinion. Try to use as many target words as possible. Be prepared to discuss your paragraph or debate the issue in class.

<table>
<thead>
<tr>
<th>For</th>
<th>Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>People shouldn’t think that branding is something new. Even in ancient Rome, businesses had slogans. (presume)</td>
<td>The use of branding in modern life is huge. The number of channels for advertising and image-building has multiplied many times since home computers became common. (medium)</td>
</tr>
<tr>
<td>People are eager to buy an image along with a product. Branding satisfies a need for belonging and self-definition. (consume)</td>
<td>For some people, brand images register too strongly. This keeps them from interacting honestly with other people. (equate)</td>
</tr>
<tr>
<td>Businesses operate in a crowded marketplace. They have to find a way to distinguish their products from competing products. (corporate)</td>
<td>Products should distinguish themselves by quality, value for money, or other traits that are really part of the product. Using brand images to entertain and distract people from these product-related qualities is dishonest. (theme)</td>
</tr>
</tbody>
</table>

F. Self-Assessment Review: Go back to page 15 and reassess your knowledge of the target vocabulary. How has your understanding of the words changed? What words do you feel most comfortable with now?

**WRITING AND DISCUSSION TOPICS**

1. Reading 2 mentions young people who express youthful rebellion by starting companies. Do you think Reading 2 really describes a new phenomenon or not? Explain your answer and use specific examples to support it.

2. The costs of branding are passed on to consumers. Companies pay for their ads and creative teams by raising prices or reducing services. Do you think this trade-off is good for consumers? Does the brand image associated with a product justify this extra expense?

3. Social-networking websites, like MySpace or Facebook, are supposed to be noncommercial. Users promise not to use the sites to promote products. In reality, though, users recommend their favorite bands, their favorite books, and so on. Brand developers have found ways to advertise without actually advertising. And they benefit from being attached to websites that feel comfortable and personal to their users. Do you think people who promote products should be banned from the websites for breaking the rules? Or is it unavoidable that advertising will leak onto these sites?