



Cleaning Up Brand Clutter

With 35 varieties of bagels, 66 subbrands of GM cars, and more than 13,000 mutual funds, American consumers are suffering a severe case of brand overload. Marketing guru Peter Sealey has a tough-love cure: "simplicity marketing."

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When Peter Sealey goes on the lecture circuit, he likes to invite an audience member to join him on stage for a simple experiment. "Imagine you've been sent to the store to buy three things," Sealey says. "You're looking for Crest toothpaste, Tide detergent, and Tylenol. What do you think is going to happen?"

Then Sealey posts giant slides of a typical supermarket shelf. The toothpaste aisle is jammed with 52 versions of Crest: mint, tartar-control, gel, paste, jumbo size, travel size, and so on. The Tide section is just as cluttered. And the Tylenol shelf has dozens of specially formulated versions for everything from headaches to menstrual cramps. Before long, Sealey's onstage guest is sputtering in disbelief -- with no idea of what to buy.

It doesn't need to be that complicated.

About a year ago, Sealey and coauthor Steven M. Cristol published *[Simplicity Marketing: End Brand Complexity, Clutter, and Confusion](#)* (Free Press, 2000), a passionate book that mixes wit and genuine anger as it looks at the current state of brand marketing. Instead of pushing too many choices on consumers, they argued, companies should concentrate on "simplifying customers' lives or businesses in ways that are inextricably tied to brand and product positioning."

For Sealey, writing the book was a bit of a coming-out experience. Earlier in his career, he labored diligently at Procter & Gamble and Coca-Cola, helping those consumer giants build their product rosters -- and their complexity. After leaving Coke in 1993, Sealey moved to California, took up consulting, and became a part-time instructor at the Haas School of Business at UC Berkeley. There, he had a chance to rethink marketing practices, and to become an advocate for simplicity.

Since its U.S. debut, *Simplicity Marketing* has been translated into nine languages. It also has become a rallying cry for Sealey as he advises companies in industries ranging from consumer products to financial services. His central message: Pare back what you're doing. Concentrate on getting a few basic things right. If a little complexity is inevitable, figure out how to shield the customer from that.

On a recent afternoon, Sealey shared his perspectives with Fast Company -- and talked about ways to cut through today's brand clutter.

What industries really need help in simplifying?

Financial services, telecom, and health care should be at the top of everyone's list. The health-care industry this year will spend \$2.5 billion advertising prescription drugs. How in the world can people or their doctors choose the right cholesterol-lowering agent? There's a dizzying number of choices, all fighting for our attention.

The same thing goes for all of these calling plans. I have no idea which calling plans I've got. We need some way to cut through the clutter.

Even something as basic as a trip to McDonald's is out of control. Just try to go there and order a hamburger, fries, and a soft drink. There are more than 60 items on the menu.

Instead, look at this small California chain called In-N-Out Burger. It has a very simple menu. If you want a burger, you have a choice of one, two, or three patties. That's it. The choices on fries and beverages are very basic. And each of the company's restaurants does twice the volume of a typical McDonald's.

Okay, so who really gets it?

Give credit to General Motors and its decision to discontinue the Oldsmobile division. The company had somehow ended up with more than 60 brands in five divisions -- and just about 30% of the market. It might have made sense back in the 1920s, when GM first set up those five divisions. You could move up the brand ladder as a customer, going from basic to various degrees of luxury. But if you were putting together a car company today, there's no way you'd do that.

I haven't been getting nearly the traction I hoped for with traditional consumer-products companies. I underestimated the organizational resistance. In many of these companies, the more brands you control, the bigger the staff you have working for you. The more line extensions you do, the more shelf space you can command with different sizes and flavors of the same basic product (known in the industry as 'store keeping units' or SKUs.)

It's very difficult to have someone stand up and say, "You know, 30% of the SKUs we have are unnecessary."

Have you always been true to these principles, or are you making up for past sins?

My first job out of college was at Procter & Gamble, which was -- and still is -- a great marketer. I started with the Duncan-Hines brand. We mostly sold chocolate-cake mix. I introduced all kinds of varieties. If you've ever bought double-Dutch fudge, I'm the guy responsible for that. We kept adding things -- and it never occurred to me to discontinue a brand.

I worked for Coke for a long time. On the beverage side, I remember being responsible for 26 kinds of Coke: Diet Coke, Cherry Coke, Diet-cherry Coke, Caffeine-free Diet Coke, and so on.

Then there was a time when Coke owned a movie studio: Columbia Pictures. I was associated with that, and I remember one year when we tried to launch more than 20 new movies. It was almost one a week for a stretch. It was just too many.

What was the key insight that turned you around?

People live in a whole-life environment. They don't spend all their time choosing among different Tide brands, or wondering about different car models. Marketers tend to think that people don't do anything except obsess about their particular product categories.

If you ask people in a vacuum, "Would you like more choices in category X?" people will almost always say yes. But if you ask them, "Would you be willing to cut back on some of your favorite activities to spend more time evaluating choices in category X?" then the answer is almost certainly going to be no. It's just that marketers seldom ask that second question.

So aside from cutting back on the number of brands, what should smart marketers do?

Make simplicity a selling point. Look at BMW. They've got the 3-series, the 5-series, and the 7-series. You know instinctively which is the entry-level car and which is the top of the line. You know that the 540 model has a more powerful engine than the 528. Acura used to have different names for all its cars. There was the Integra, the Vigor, and the Legend, among others. It was confusing. Acura's sales went up when the company scrapped those names and just went with a very straightforward numbering system.

In the book, we also urge people to concentrate on the four R's: replace, repackage, reposition, and replenish. The last three are self-evident, but the first one is the R that many people find hardest to do.

We're so used to thinking of new products as incremental. They will somehow find a little extra space on the shelf -- and in consumers' spending patterns -- without displacing anything. But the really great new products aren't incremental. They wipe out the justification for an existing product and replace it entirely.

AOL became so successful because it was really a replacement product, even if the company never said so. It replaced phone calls to a stockbroker or calls to an airline. It wasn't until 1998 that the company began talking directly about replacement and simplicity as part of the story: "Searching made simple. Personal news made simple. Shopping made simple."

As hugely successful as AOL has been, we'll never know how much faster penetration might have occurred -- or how much more people might have been willing to pay -- if it had been positioned as a replacement.

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