

BRANDWEEK®

THE NEWSWEEKLY OF MARKETING

Vol. XLIII No. 29 August 12, 2002

TOP of MIND

Brand Management—Grateful Dead Style

By Robert M. Rush

What can brand managers learn from *band* managers? Plenty. Just look at the Grateful Dead.

Brand promises get tested with each consumer encounter, and if a brand's execution does not meet or exceed its promise, consumers will flee it faster than you can sing "Truckin," and you can say goodbye to your once-loyal customer base.

If brands represent the sum total of the images that people have in their minds about a particular organization, I would rate the Grateful Dead, one of the world's legendary rock bands, right next to the world's best brand builders . . . folks like Disney, FedEx, Nike, Johnson & Johnson, Coca-Cola and Sony, among others.

Branding 101 taught us that brand managers must: define an experience that the customer values; deliver that experience in everything they do; measure the impact on their customer and deliver the experience consistently. Without debate, the Grateful Dead deliver on all accounts. From the very beginning, the Grateful Dead were always about the music and the experience, their "product," so to speak. And they protected it rigorously. Unlike most rock bands, The Dead resisted commercial opportunities and Hollywood overtures at every turn. Yes, they embraced the hippie culture, but did so with a laser-like focus and understanding of the benefits of long-term brand management.

Moreover, the band highly valued their fans, uh customers. With great foresight in 1968, they were the very first musical group to establish a proprietary customer database and newsletter to stay in touch with their legion of loyal fans. They followed in the early '90s with a powerful, interactive Web site. Against every rule in show business, they allowed their fans to record their live concerts. This further fueled the grass roots devotion to the band, which generated high brand equity and sustainable customer loyalty. If brand equity can be defined as a combination of salience and perceived quality, the Grateful Dead's brand equity would score off the charts.

Some 35 years after the band's creation, Grateful Dead Merchandising continues to market and sell music and merchandise at a brisk pace. Although Jerry Garcia, the Dead's spiritual leader, (I mean *brand* manager) died on Aug. 9, 1995, the "Dead" franchise remains as strong as ever,

with brand extensions proliferating. Take note you MBAs at Procter & Gamble, Philip Morris and Kraft.

World-class brands require nurturing and diligence. The care and management of the Grateful Dead produced big dividends and enjoyed vast spiritual and economic rewards. Venues were always sold out, and the band played before more people than any other group in history. Essentially, this was accomplished without any brand advertising or marketing. Go figure, but such is the strength of brand loyalty—priceless benefits!

The Dead were tireless workers. The sheer number of their live concerts is legendary, and the "live" connection with the band was a central component. This led to an oft-heard saying, "*There's nothing like a Grateful Dead concert.*" For decades, the Grateful Dead were firmly established in

the Top 5 grossing entertainers of any kind worldwide. In *Forbes'* annual listing of the world's highest paid entertainers, its members consistently ranked near the top.

Although I have never seen a customer satisfaction or brand equity index for rock bands and their fans, I'd suspect The Dead would come out a clear winner on almost all metrics. Certainly, they were prolific musicians and songwriters. But their greatness came from their ability to connect fans to their brand in a profound, emotional way. Like other world-class brands, the Grateful Dead forged deep, lasting relationships

with their customers and consistently met and exceeded expectations.

My experience in branding has taught me that talk is cheap; the best brands (witness Wal-Mart, Lexus and FedEx) are legendary executioners. They walk the talk! Quite frankly, The Dead talked very little . . . they just consistently delivered on their brand promise. Attention all brand managers! There's a lesson to be learned here. Keep your promises and you'll keep your customers. ■

Robert M. Rush is president & CEO at LRA Worldwide, a brand consultancy based in Horsham, Pa., whose clients include Starwood Hotels & Resorts, the PGA TOUR and Carlson Hospitality Worldwide. He can be reached at (215) 957-1999 or rmrush@lraworldwide.com.

 **LRA WORLDWIDE**
Leaders in Customer Loyalty Solutions

The Dead were prolific musicians, but their greatness came from their ability to connect fans to their brand in a profound, emotional way.