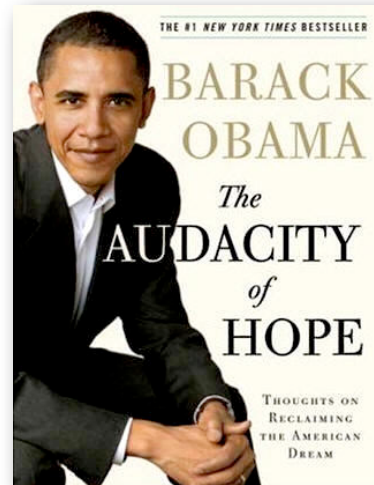
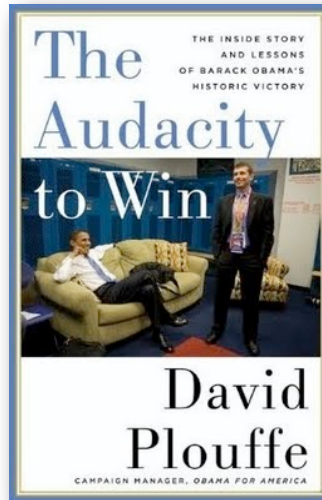


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Getting and Keeping Customers

THE AUDACITY TO BRAND



BRANDING LESSONS LEARNED FROM THE 2009 PRESIDENTIAL CAMPAIGN

White paper by

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IN THE BEGINNING...

Many brands and organizations sort of grow like Topsy. For anyone who doesn't know that metaphor, it means to grow without a plan, structure, or direction, starting with someone getting a good idea. The idea gains traction, and then at some point someone says, "Hey, maybe we should make a plan. This has real potential."

Certainly a lot of political campaigns start this way. How many candidates for the 2012 U.S. presidential election or any head-of-state election around the world in the next few years do you think are already planning out their brand, their position, their strategy? Probably not too many. Politicians are no doubt exploring the idea of running. But they likely aren't strategically thinking through their long-term positioning, their communication tone, or what they want to stand for beyond some political talking points they've been saying for some time.

The Obama campaign did just the opposite.

In the interest of full disclosure, the reader should know that I was a strong supporter of Barack Obama in his bid for the U.S. presidency. While I've attempted to keep my personal political views out of this paper, they no doubt have some influence. I've also taken David Plouffe in *The Audacity to Win*, at his word. If you were a strong John McCain supporter or just a cynical voter, you might read Plouffe's book and discount much of what he wrote. "Yeah, he says that. But we all know better. Obama is no different from all the politicians we are forced to choose between. His campaign was no different."

Perhaps you are right. But what if Plouffe accurately described what happened in the United States in 2007 through 2008? Certainly everyone thought Obama's candidacy was the longest shot in political history. It was pretty audacious for a young African American with a funny name from Illinois, a father from Kenya, and a U.S. Senator with only a couple years experience to even think he had a chance at the highest office in the land. Something striking has to explain how TeamObama pulled this off.

I believe we can gain partial understanding of what happened by looking at the Obama campaign through the lens of branding. In the process, we can also explore what it takes to create a strong brand. Not a bad return on investment from spending a few minutes reading a paper like this. So, let's have at it...

What would you do? How would you strategize?

What if you had three-quarters of a billion dollars to achieve a specific goal? You'd face a few limitations, of course. You wouldn't have this money all at once. In fact, you'd have to bootstrap your finances depending on how you progressed from stage to stage. You'd have to start in a location (Iowa) where you had no contacts and no resources — and you'd have to succeed there or you couldn't continue. And because you would be competing against a name-brand product (Clinton), you'd have to gain market share by recruiting new buyers. Your goal would be to get more positive attention (votes) than someone else in a marketplace that is normally quite evenly divided. The prize: one of the most difficult jobs in the world. Finally, in this scenario, all the players would not be initially positive about undertaking the venture.

Welcome to the Obama campaign. The first hurdle that everyone who saw even a little potential in Obama's nomination had to overcome was that not everyone was committed to the venture in the first place. Even Obama. It

took him almost eight weeks after the 2006 mid-term elections to make a final commitment to run. People working with chief strategists David Plouffe and David Axelrod were more than skeptical: “Let me get this straight. We should work for the candidate with no chance, no money, and the funny name?”

Everyone was fully aware that there was no guarantee of success. In fact, when they first started the campaign, very few people gave Obama a chance. After all, the assumption fed by the media was that Hillary Clinton’s nomination was inevitable. The only thing that kept TeamObama going during the start-up phase was a firm belief in what Obama stood for and represented.

At the very start, TeamObama (consisting of Barack Obama, David Plouffe, David Axelrod, Robert Gibbs) formulated strategy that shaped the two-year campaign. First, it was decided that the campaign would be a grassroots effort, fertilized by volunteers. Second, funding would come from small contributions, so the Obama campaign wouldn’t be owned by any large interest groups. Third, technology was to be at the core of the campaign. Four, a tight and clear chain of command would be put in place. No leaks permitted. Five, headquarters for the campaign would be located in Chicago, and six, \$50 million dollars as seed money would be raised in 2007. Finally, they would try to have fun — no jerks in the campaign. Axelrod called this the “no a**hole” rule. The campaign wouldn’t be about feeding Obama’s or his top strategists’ egos, but rather betting on the U.S. system which they saw as deeply troubled.

These guidelines were a mixture of general ideas and two specific notions — where headquarters would be located and how much money would be raised. Everything else was pretty much loosey-goosey culture/organizational issues.

Plouffe himself describes organizations as collections of human beings. There are several businesses today that are living this philosophy. I like to call them community-based enterprises, or if you prefer — enterprise-based communities. Zappos.com, located in Las Vegas, is a good example of such an organization, and it is enjoying enormous success largely fueled by its culture. If push came to shove, TeamObama decided that culture wouldn’t be dominant, but neither would be strategy and resources. They would balance each other.

And that would be the brand of the campaign. And TeamObama would stick to it.

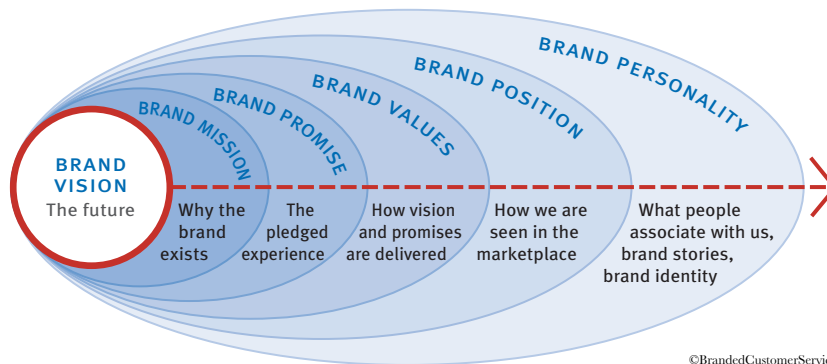
A major thought piece — when it was released 40 years ago — written by Chester Barnard (*The Functions of the Executive*, 1968), enumerates how strong organizations became possible. Strength happens when 1) the forming team is willing to communicate with each other, 2) they are willing to be engaged in the effort, and 3) they agree on and serve a common purpose. A strong sense of purpose stimulates these collections of people to cooperate, communicate with each other, and contribute. Without these three elements, Barnard pointed out that internal teams begin to fight each other. You can see this in business enterprises and you can surely see it in political campaigns. It was evident in the Clinton campaign. Now that Sarah *Going Rogue* is out you get Palin’s take on the tension that existed within the McCain campaign. *Saturday Night Live* picked up on this tension during the election and spoofed Palin secretly running for President in 2012 all while the 2008 campaign was going on. When individual motives run at cross purposes with organizational purposes, it is hard to steer a steady path.

This simply didn't happen in the Obama campaign.

A start up organization

With cultural values in place, TeamObama tackled its "brand" message. The key players were in agreement that messages needed to be clear and simple. They also agreed that they would commit to one path, not change their direction in response to external events. All tactical decisions would be based upon their message and strategy.

In our branded culture consulting work, TMI calls this the brand DNA. Based on the content of Plouffe's book, it would be easy to map the Obama campaign brand DNA: Vision, Mission, Promise, Values, Position, and Personality. Our experience at TMI US is that defining the organizational brand DNA is a critical first step in establishing a service brand. Once defined, everything can flow through this prism. We call this being "on-brand."



Plouffe writes, "We were a healthy organization, warts and all. There have been plenty of organizations that thrive, for a time at least, under leaders who yell and scream and fly off the handle and are propelled forward by a culture of intimidation and even fear. But I believe that, ultimately, organizations are collections of human beings. They will perform best and make their greatest achievements where there is clarity, conviction, and collegiality throughout the ranks." (p. 379) Plouffe indicated that no one ever went to bed at night worrying about Obama's reaction to what had been done. As he said, in politics, this was the exception, not the rule.

Part of what made this commitment to strategy work was the candidate's tendency to take a longer view of events. When McCain first picked Sarah Palin as his running mate, the Republicans sucked up all the airtime on television. Obama didn't get excited even though it meant that Obama didn't get a predictable post-convention poll bounce. In fact, there were some polls in early September that put the McCain-Palin ticket ahead. Obama said at the time that he was convinced her nomination actually would seal McCain's election fate.

Consider this in relationship to organizations that sell products. Rather than go crazy when the competition takes a sudden leap in sales or position, an organization with a clear brand position will use this information to examine tactics. But there's no question about long-term strategy. Great brands don't change their strategy every time there's a blip in business or competitor activity.

Brand Mind Set

The Obama campaign mind set was embedded with a number of principles. For example, it was frugal — by design. It really did accomplish what it needed to do on the backs of volunteer labor. Several state political leaders told TeamObama that this would simply not work. But TeamObama wanted people who believed in what they were doing. That was the game plan, the initial decision, and they stuck with it.

Now, this isn't really possible in the world of enterprise. Staff need to earn a living. But there's no reason why customers can't assume some of the burden of volunteer support. Engaged customers can through their word-of-mouth actually build the brand.

This mind set affected what paid staff earned. No one got rich on this campaign. Even senior staffers. And if people wanted to negotiate salaries, then they didn't become part of the effort. TeamObama believed that if they ran their campaign the way all campaigns have been run in the past, then they wouldn't be running a different kind of campaign. They would be off-brand in their structure. And it was running a different kind of campaign that attracted all the youthful energy and talent that surrounded the local precinct offices.

Local volunteers were highly empowered. I was stunned to see who was on the Nevada Obama team during the primaries. They looked like teenagers. These young people, in a battleground state, with a clear sense of direction were able to turn Nevada, typically conservative, into a Blue state and win by 12%.



Obama in Nevada caucus
©Janelle Barlow 2008



Accepting nomination in Denver
©Janelle Barlow 2008



Obama taking office January 20, 2009
©Lewis Barlow 2009

TeamObama denied many of the requests made of them — requests that most campaigns would consider normal requests. They didn't succumb to “political insiders” and interest groups. Everyone wanted a piece of Obama and they could make a good case for his attending their events. TeamObama understood that a campaign's major resource is time — time of volunteers, staff, and the candidate him or herself. Obama took a lot of heat for not going along with those who were absolutely certain they knew how he could win and were equally convinced that if Obama didn't do certain things, he would lose. When you're doing something for the first time, it's very tempting to listen to seasoned “consultants.” Every business has to sift through the strong advice it is given.

As a result, no competing group got exactly what it wanted. But Plouffe writes that the Obama staff began to value the iron-willed discipline about how decisions were made. There were no surprises. They knew the strategy and direction. And the sky didn't cave in because senior staff didn't bend to whoever was putting pressure on them. And everyone else could stay focused on what they were supposed to be doing.

Plouffe describes the campaign's mind set as a mixture of idealism and pragmatism. Idealism was the engine that kept things popping 7 days a week across the nation with all the volunteer activity. Pragmatism kept them grounded.

Community

Organizations, as mentioned earlier are defined by Plouffe as collections of people. The idealism of the Obama volunteers was fueled because they were connected to a mission that was bigger than any single individual. This mission wasn't simply words on paper or a campaign slogan. Part of this had to do with the fact that Obama was the first truly competitive African American nominee for the Presidency. It also had to do with Obama himself. Everyone who worked with him talked about how authentic Obama comported himself. In fact, in most of his speeches, Obama would say, "What you see here is what you get. This is who I am and who I will continue to be." Such statements could be just words, or something to believe in. The latter clearly happened with his supporters who formed get-out-the-vote communities all over the country with this energy.

TeamObama saw its volunteers as the campaign's train engine, and politicians as the caboose that needed to be brought along. After all, many of the politicians were "super delegates" whose votes were necessary to achieve the nomination. The campaign would also not become an operation like Nike, a brand that has become a marketing enterprise. Nike outsources all of its production. Many other major brands operate like this today. The Obama campaign understood its staff (voluntary as it primarily was) would power everything they did. So, the focus had to be on maintaining that energy of these volunteer communities. They couldn't outsource building that energy.

We provided housing for an Obama volunteer during the campaign. She left our house early and came back late, seven days a week. She was the granddaughter of Henry Luce, founder of the Time Magazine. She worked for 8 weeks in Las Vegas with no pay and was clear that her purpose was to get someone in the White House who would promote health care. That would be her pay. On the weekends, several elderly couples who drove in from Los Angeles stayed with us while they canvassed Las Vegas neighborhoods. Their reward was incredible energy interacting with the community working on the campaign.

Differentiation

Any good brand is differentiated. It has to be. Now, clearly, if you can build this in from the beginning, it's easier to stick with it. Accountants and marketing staff won't pull you off course from how you are differentiated if your approach is clearly stated and then enforced. Ultimately, every political campaign starts fresh every political season, but very few of them had the discipline of TeamObama.

Differentiation meant Obama was able to handle the Reverend Wright problem. He was able to take a stand against reducing gas taxes over the summer, even though both Clinton and McCain supported the proposition. And Obama didn't back down from saying he would negotiate with rogue nations.

With this type of discipline, it means that you will lose people who don't believe in what you are doing. In business, you'll lose customers who don't want what you have to offer. And you have to be willing to let that happen. TeamObama understood that the coalition of voters they had identified and were aiming at were sufficient for them to win the election — if they came out to vote in sufficient numbers. The team wasn't interested in blowing out the election. Actually, it turns out that they did, but that wasn't their goal. Aiming for a blow out would require an entirely different strategy. If they got high electoral numbers, so much the better, but it wasn't the goal.

Marketing

TeamObama strongly believed in the power of Word-of-Mouth. They believed that people talking to each other, block by block, family by family, community by community would create a political climate where Obama would win. Obama still believes that this is what is required for a strong democracy. He was fond of telling the primary rallies, you have to vote in the primaries, you have to get others out to vote in the primaries, and then you have to work to get everyone out to vote in the general election, and then you have to vote yourself, and then you have to continue to work to support the legislation and policy that this is all about. Obama would say, “It’s your election.”

Plouffe writes, “The power of this interpersonal dialogue was never properly appreciated by our opponents or by the press and political community. But these quiet conversations, which took place in every corner of America, helped us win the election and will help the president succeed with his goals.” (p. 384) Caroline Kennedy says that it was the strong support of her children for Obama that brought her out on his side. We experienced this within our own business office and within our family. Quiet conversations that built support for Obama. It’s called WOM by marketing people.

TeamObama understood that WOM couldn’t be controlled. But it could be influenced. And setting the tone of that conversation was critical.

Obama saw himself as the “tone” policeman of the campaign. At one point someone put out a document on outsourcing called “Hillary Clinton, D-Punjab.” The campaign took a huge hit from the press and from Hillary’s team: “You see, he’s just like everyone else, but wants to pretend he is holier than thou.” The campaign understood that it was a snarky attack and definitely not aligned with its identified tone.

Following the Hillary Punjab incident, the campaign did not allow position papers to be issued unless they were reviewed by the senior team. TeamObama needed to control the campaign’s message and ensure it was consistent with the position the campaign were taking. This meant being decent, not snarky, while still pointing out legitimate differences. Obama reviewed most if not all major media advertisements. If lines appeared that were too political or dishonest, he exxed them out.

How many CEOs in business do this? Perhaps more business heads should take a stronger role in setting tone. It actually wouldn’t require doing it too often, because just a couple of well-publicized cases within the organization would make everyone become their own tone police.

Summary

The main lessons from this case are multiple. You can’t look at the Obama campaign and isolate the one element that enabled Obama to win. Simply impossible. However, when you begin to weave together a number of ingredients, you can begin to see how this highly improbable event occurred: a precisely defined strategy that made tactical decisions easier; a tone of respect; a willingness to engage a highly motivated group of “employees;” and a mind set that was constantly nurtured.

If you were to ask TeamObama if they set out to build a brand using marketing and branding principles, they’d say no. That would make them look manipulative. But if you want to understand this highly unlikely election and its outcome, branding is a pretty good lens through which to gain better understanding.