

## Get “Real”

Is your company true to itself... or has it lost its authenticity?

It strikes me that “authentic” is probably one of the most powerful adjectives you can use to describe a person or a company. Who among us doesn’t aspire to work for companies that are authentic...to have friends and colleagues who are authentic...to be authentic ourselves?

An author named Sarah Ban Breathnach once remarked that, “The authentic self is the soul made visible.” Authentic companies bare their souls publicly: they’re honest, real and possess integrity. Plus, their products and services are top-notch, because to be authentic means living up to publicly declared standards. These are companies we want to be involved with, either as employees, consumers or shareholders.

The converse of authentic is “contrived.” Not dishonest per se, but seen as simply going through the motions, relying on gimmickry, being inconsistent in both message and quality and frequently obsessed with being all things to all people. They also tend to exhibit broad chasms between their public positioning and their internal dialogue. This chasm typically shows up in uneven sales and service performance, because the consumer sees the contrived company for what it is: an “actor” that doesn’t evoke consistency or integrity in its actions.

We all know authentic companies, and those that are contrived. But what about companies which used to be authentic, but have regressed to being contrived? Specific reasons for the lapse can differ, but invariably companies that have gone from one extreme to the other can trace their regression back to going through the motions, losing sight of the recipe that made them authentic to begin with or simply losing confidence in the recipe.

### Who is authentic?



Apple is certainly a reasonable candidate. But there was a period under the Scully and Amelio years that saw the company’s authenticity compromised. However, upon Steve Jobs’ return, the company experienced a comeback from near-oblivion and a return to authenticity. Once Apple stopped pretending it was a buttoned-up tech company that conformed to “normal” tech company standards, or sought to compete with Microsoft on Microsoft’s terms, its creativity exploded. Today, Apple bases every strategy, action and product-development initiative on a commitment to breakthrough and cool technologies that transform customers’ lives. Apple employees, from the CEO to the Apple Store clerk, will describe the company in the same way.



The same holds true for Harley Davidson. Like most companies, financially, Harley, has had its ups downs. But, no one doubts what Harley stands for. The company's integrity is part of what makes it a unique experience – even a statement – to devotees of its motorcycles and related products. Some of Harley's vehicles are as sophisticated as any in the marketplace, but you'll never catch Harley positioning itself in the same way a slick European competitor would – that wouldn't be authentic to who and what Harley stands for. Harley goes beyond "brand;" Harley is an attitude and a lifestyle.



Costco provides yet another example of authenticity. At first blush, it seems almost inconceivable that a company selling everything from plungers to \$2,000 diamond rings could be authentic. But, it absolutely is. From its commitment to quality to the cleanliness of its stores, Costco knows what it stands for. In fact, dig deeper, and it becomes clear that an authentic company is the only kind that could succeed in selling everything *and* the kitchen sink.

### Who isn't authentic?

Unfortunately, there are any number of companies that were once authentic that now appear contrived.



Gateway provides a classic example. Gateway's style belied its size and rapid growth; under founder and CEO Ted Waitt, the company maintained the aura of the low-key, garage-start up it once was. Rock music played on the assembly lines and beer factored into company meetings. Reportedly, it wasn't unheard of for someone to show up to a meeting barefoot. Not the right recipe for many companies, but it worked for Gateway. More to the point, the quirkiness was fundamental to who the company was; it made Gateway authentic.

Dissatisfied with its growth, and locked in a fierce price and market share battle with archrival Dell, Waitt did the unthinkable; he stepped aside, and allowed Gateway to become a "corporation." A new management team, led by several former AT&T executives, immediately sought to turn Gateway into a replica of every other faceless corporation, complete with multiple-hour conference calls and constant meetings. In a *Fortune* article, a demoralized employee derided this new approach as the "AT&T-ification" of Gateway.

The new team also radically undermined Gateway's once lauded customer service process by penalizing reps who stayed on the phone too long with customers. The company also deflected focus from its core PC products and put a greater emphasis on expensive add-ons, thus alienating customers who simply wanted a computer with no fuss – which had once been an essential part of the Gateway formula. In perhaps the ultimate insult, corporate headquarters was transferred from Waitt's hometown of Sioux City to San Diego.

To be sure, for a period of time, financial results improved considerably. Well, actually, they didn't. Apparently, according to lawsuits, the new management team fabricated favorable results to appease Wall Street. All the while, employees stopped believing in Gateway. Employee referrals, which had once accounted for half of Gateway's business, quickly slipped to 30 percent. Layoffs ensued.

Unable to sit idly by, Waitt triumphantly returned, tossing out most new management. Gateway continues to struggle – in part because of intense competition, and in part because it still seeks to rebound from the damage inflicted on the company by a management team, which stripped Gateway of its authenticity.



There's little doubt that Ford's acquisition of Jaguar two decades ago did wonders for the vehicle's cost efficiency and manufacturing quality, but some would argue, at the price of nearly destroying its authenticity.

The fact is, Ford's knowledge of mass-production manufacturing corrected Jaguar's legendary performance issues. The problem, however, is that Ford has treated Jaguar like it is a Fusion or Taurus – using the basic underpinnings for new lines of faux Jaguars – S-type and X-type – ignoring the fact that as a luxury brand, Jaguar will never have, nor should it have, broad-based appeal.

Ford didn't respect that. It forced Jaguar to share platforms and components with other automobiles, and tried to ram a prestige, niche brand down the collective throats of mass consumers. Much like Quaker Oats did with Snapple, Ford purchased a brand presumably because of its distinctiveness, and immediately began stripping it away.

Rumor has it that Ford now plans to sell Jaguar. Perhaps the next owner will recognize the vehicle for the unique brand it is. Or *was*.



A little more than a decade ago, when Douglas Ivester took the helm at Coke following the death of Roberto Goizueta, he was considered the ultimate Coke insider, an accountant with tremendous competence and a wealth of company knowledge. What he wound up proving, however, is that leading a major consumer goods company such as Coke requires more than an accountant's linear and logical brain; it requires the ability to gauge the company's heart, to ensure it's continued authenticity.

Granted, Ivester attracted bad luck in the same way his predecessor had the good fortune to preside over the company during a period of sustained growth. Nonetheless, Ivester's approach to those challenges showed little understanding of what made "Coca-Cola, Coca-Cola."

When product contamination was found in a Belgian product, Ivester issued a cursory apology and went about his business, figuring that everyone else would agree it was no big deal. When aggressive new marketing – a Coke specialty – was required to drive shares in an increasingly competitive world, Ivester appeared to feel like Coke would essentially sell itself because, well, it was Coke. When Ivester pursued acquisitions, there were complaints that he did so arrogantly, without the charm and finesse that distinguished his predecessor as well as the Coke brand.

In the end, Ivester's unflappable, ultra-rational style was at odds with the flamboyant, great marketer that Coke had always been. It's often said that the head coaches of New York and Los Angeles sports teams must be more than sound strategists; they've got to have an aura of "glamour" in order to fit in. Ivester was a great finance and operational executive, but lacked a strategic view, and in the Coke world, that made the company contrivable.



In some respects, Levi's is similar to Harley Davidson in the sense that they have both enjoyed unique status as iconic American brands. The difference between them is that while Harley has found ways to stay relevant, Levi's has arguably become "your father's jeans."

In a world in which the price point for jeans ran to the extremes, Levi's stayed in the middle. At the same time, it had poor distribution, and was slow to introduce new products.

It appears the company wanted to remain "authentic" to its roots and fashion styles. However, the company didn't recognize that its authenticity didn't reside in doing the same things over and over. Much as Harley has remained authentic by updating its motorcycle brands while staying true to what makes them "Harley," Levi's needed to find ways to be relevant to new generations of jeans buyers. But, Levi's didn't do that – and younger consumers found the company antiquated and out of touch – a deadly fate for a company priding itself on authenticity.

Today, Levi's seeks to expand market share through agreements with discount retailers – another let down for a brand that at one time, had its own stores. Time will tell if Levi's rebounds attracting the new generation, or if it becomes "just another jeans discounter" with a contrived brand positioning strategy.



If you're of a certain age and a sports fan, you remember how exciting ESPN used to be. Finally, a TV network that offered sports, sports and more sports, with edgy coverage and provocative commentators who mixed wit and journalist credentials. No serious baseball fan ever missed *Baseball Tonight*. No serious sports fan could go to bed without a nightly dose of SportsCenter.

Today? Well, today, ESPN seems hell bent on reminding us that the "E" stands for "entertainment." Or, is that "exhausting," given the constant barrage of catch phrases, shouting and images masqueraded as substance?

The upshot is that today's ESPN is about as contrived as a media outlet can get. "Who's Now?" – the network's elimination tournament designed to determine, which current athlete is the most "now" – is simply the latest and perhaps most egregious example of the lengths ESPN will go in order to cozy up to athletes, and (unsuccessfully) position itself as an arbiter of culture. Instead, to quote *Newsday*, "everything about the segment is so artificial...that watching it is like chewing Styrofoam."

Any actual sports fan or journalist would be well advised to keep some of that Styrofoam on reserve, because it can serve as handy earplugs when the network's vapid commentators appear on air. From Stephen A. Smith to Skip Bayless, from countless ex-jocks to the "Godfather of Contrivance," Stuart Scott, the ESPN that offered insightful commentary is a distant memory. The fact that long-time anchor Dan Patrick recently announced his departure only underscores how far the network has strayed from its authentic roots.

Rather than sports coverage, ESPN seems more intent on over-hyping a series of poorly made movies and mini-series. Most recently, "The Bronx is Burning" debuted to lackluster reviews (not to mention that the first heavily promoted episode aired an hour late, because



the network's exceedingly long and pointless All-Star Game Home Run Derby ran three hours). And, when one of its series' – the dark-side-of-the-NFL-inspired "Playmaker's" – actually garnered some decent reviews, ESPN pulled the plug quite likely because of its cozy relationship with the real NFL.

Only that sort of cozy relationship could result in contrived segments such as "A Day in the Life," in which linebacker Shawne Merriman, who recently failed a steroid test, was all-but portrayed as the logical successor to Mother Teresa. Or, for that matter, the Barry Bonds reality series that may or may not have mentioned steroids in passing.

Then again, perhaps ESPN should cozy up to the NFL (not to mention its seemingly personal stake in promoting NBAer LeBron James)? Otherwise, there'd be little time devoted to actual sports – as evidenced by its willingness to broadcast poker tournaments and spelling bees.

In the end, all but the most-naïve 13-year-olds recognize that ESPN's apparent strategy is to cultivate a hip image. In doing so, the network is alienating viewers and creating an ample opportunity for a serious network to provide real competition.

### **Keeping it real**

It is so difficult to discern between "contenders" and "pretenders" given the array of information and sources in today's climate that most people rely on how they feel about a product, brand, company or person in terms of their authenticity, which reflects their believability.

Those that remain true to their beliefs are disciplined in their approach, and consistent in their actions, providing a known and comfortable haven for consumers, employees and others to continue their patronage.

Maybe that's why in addition to the companies cited here, Gap, United, Home Depot and a number of others feel contrived after luring us with their authenticity.

Preventing what happened to their organizations from happening to yours, may just be the answer to getting your business back on track. ◆

## Is your company authentic or contrived?

### Authentic Companies

- Focus on “who they are”
- Stay true to their philosophy
- Translate strategy into action
- Solve problems through evaluation
- Reflect the customer
- Emphasize outcomes
- Make it all seem effortless

or

### Contrived Companies

- Focus on “what they say”
- Lack discipline in philosophy
- Change strategies often
- Commission new ad campaigns
- Tolerate the customer
- Emphasize plans, outputs
- Can be seen as trying too hard

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