BRAND STORY

Module 5: The History of Brand Positioning

Learning Guide | with Bruce Miller

This learning guide captures the full content of Module 5 of the Brand Story course for readers who prefer text over video. All key concepts, examples, and insights from the video are preserved below.

The 1960s: When Brand Stories Were Born

The AMC television series Mad Men captured a pivotal moment in advertising history — the 1960s, when creative executives ran the industry and American culture was tilting sharply toward youth-oriented consumerism. It was the era of the Pepsi Generation, when brand stories truly began to emerge.

Before this shift, advertising was largely functional and jingle driven. Think of the Alka-Seltzer puppet singing “Relief is just a swallow away.” Brands spoke at consumers, not with them. But in the Sixties, something changed. Brands began developing more complex, human personalities — wit, self-awareness, and cultural relevance became competitive advantages.

Three campaigns from this era stand out as early models of brand story in action:

- **Avis** embraced vulnerability with: “Avis is only No. 2. But we try harder.” Rather than hiding second-place status, the brand turned it into a differentiator.
- **Volkswagen** leaned into full self-deprecation: “If you run out of gas, it’s easy to push.” The campaign trusted consumers to appreciate honesty and humor.

- **Levy's Rye Bread** broke new cultural ground with: "You don't have to be Jewish to love Levy's." It was one of advertising's first mainstream embraces of cultural diversity.

By the Seventies, some brands pushed further still — into blatantly provocative territory, including the notorious "Fly Me" campaign for National Airlines, which used sexual innuendo as its brand signature.

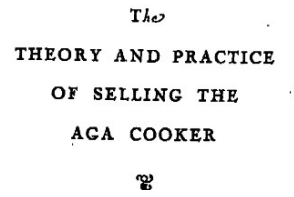
Key Insight: *The Sixties didn't just change advertising aesthetics — they changed the relationship between brands and consumers. Brands with personality and a point of view began to win.*

David Ogilvy: The Father of Advertising

The creative revolution of the Sixties didn't emerge from thin air. Much of it traces back to the groundbreaking work of one man: David Ogilvy, founder of Ogilvy & Mather and the person most responsible for transforming advertising into a discipline grounded in consumer insight.

Ogilvy's career path was as unlikely as it was perfectly designed to produce a pioneer.

Door-to-Door Salesman to Industry Legend



In the 1930s, Ogilvy started out selling Aga Cooker stoves door-to-door in England. His sales results were so strong that his boss asked him to write a training manual: *The Theory and Practice of Selling the Aga Cooker*. That document — still recognized as a seminal work on sales theory — earned him an entry-level job at a London advertising agency.

Gallup and the Science of Consumer Behavior

In 1938, Ogilvy persuaded his London employer to send him to America to work with the Gallup research organization. The experience proved transformative. Gallup gave Ogilvy a rigorous, data-driven understanding of how consumers actually think and make decisions — a foundation that would underpin everything he did afterward.

British Intelligence and the Art of Persuasion

After Gallup, Ogilvy joined British Intelligence during World War II, where he applied his behavioral insights to writing wartime propaganda. His commanding officer was Sir William Stephenson — the real-life inspiration for Ian Fleming's James Bond. The work sharpened Ogilvy's understanding of persuasion at its highest-stakes level.

Building Ogilvy & Mather

After the war, Ogilvy moved permanently to the United States and founded Ogilvy & Mather on a set of core principles that stood in sharp contrast to the loud, preachy advertising of the era:

- Generate Big Ideas
- Focus on Truth
- Incorporate "Story Appeal" and Singularity

Above all, Ogilvy believed that consumers deserved to be treated as intelligent adults. At a time when advertising talked down to its audience, he made a famous declaration:

> *"The customer is not a moron; she's your wife."*
>
> **— David Ogilvy**


How to create advertising that sells

by David Ogilvy

Rather than publishing his philosophy in trade journals or speeches, Ogilvy chose a more audacious format: full-page consumer advertisements. In 1972, he ran a landmark essay in the New York Times titled In it, he shared thirty-eight proprietary principles with the world. Fifty years later, they still hold.

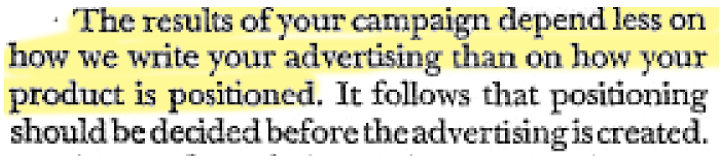
Of all thirty-eight, Ogilvy declared one the most important:

> *"We have learned that the effect of your advertising on your sales depends more on this decision than on any other: How should you position your product?"*
>
> **— David Ogilvy, New York Times, 1972**

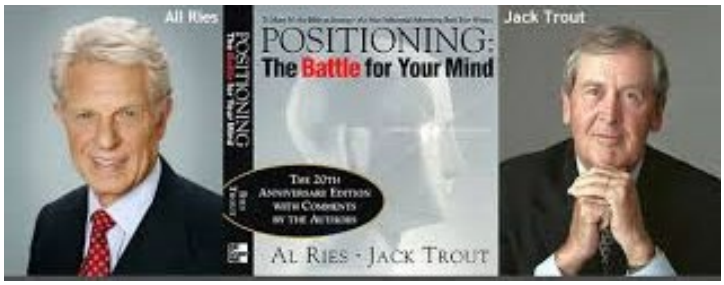
He went further:

> *"The results of your advertising depend less on how we write your advertising than on how your product is positioned."*
>
> **— David Ogilvy**

Key Insight: *Creative execution matters — but positioning matters more. Even brilliant advertising can't rescue a product that's fighting for the wrong territory.*


The results of your campaign depend less on how we write your advertising than on how your product is positioned. It follows that positioning should be decided before the advertising is created.

Trout and Ries: The Positioning Era Cometh



The advertising industry didn't just absorb Ogilvy's thinking — it ran with it. The following year, two of the industry's most influential strategists, Jack Trout and Al Ries, published a landmark article in Advertising Age: "The Positioning Era Cometh."

Their central argument was illustrated with a cautionary tale about RCA and GE, both of which had attempted to compete head-on with IBM in the emerging computer market.

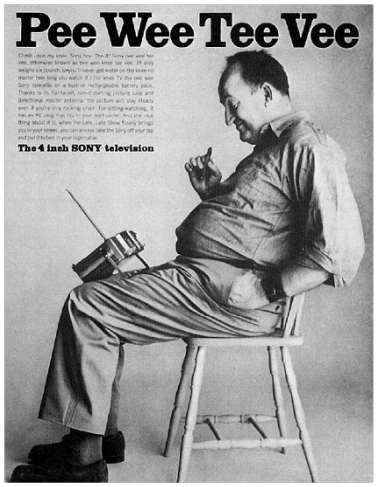
> *"[RCA and GE] have no hope to make progress head-on against the position that IBM has established… While it's possible to compete successfully with a market leader, the rules of positioning say it can't be done 'head on.'"*
>
> **— Jack Trout and Al Ries, Advertising Age**

The prescription was clear: RCA and GE needed to find their own niches — their own brand positions — rather than fighting IBM on IBM's terms. They didn't. IBM's dominant position ultimately forced both companies to exit the computer market entirely.

The lesson applies directly to shoestring start-ups competing against larger, more established brands: positioning carefully is not optional. It is the strategy.

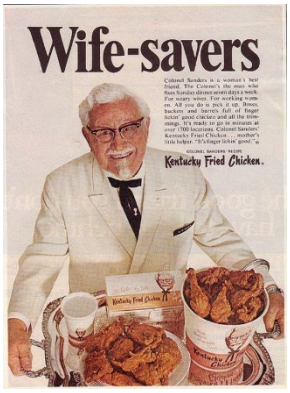
The Seven-Slot Rule

Trout and Ries also introduced a critical insight drawn from psychology: the human mind can hold a maximum of seven units in any given category at one time. Think of seven soft drinks, or seven auto brands. In smaller categories — computer printers, for example — the average consumer can't name more than one or two brands.



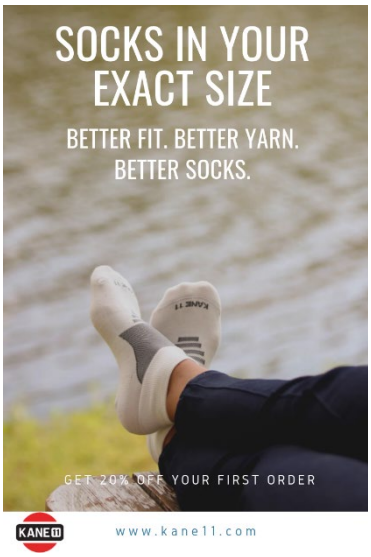
This constraint is actually an opportunity. It was exactly the opening that Sony exploited when entering the American television market, which was already crowded with well-known domestic brands. Rather than competing broadly, Sony positioned itself as the specialty leader in tiny televisions. It found the slot no one else was occupying.

Key Insight: *In a crowded market, find the unoccupied slot. Consumers can only hold so many brands in mind — your job is to claim one of those positions before someone else does.*



The Big Idea: Positioning in Practice

Ogilvy called it the Big Idea — the single, ownable brand position that cuts through the noise and lodges itself in the consumer's mind. Two examples illustrate how a Big Idea transforms a commodity into a brand:



- **Kentucky Fried Chicken:** Rather than promoting the taste of the chicken, Colonel Sanders positioned KFC as a wife-saving convenience — a time-saver for busy families. The Big Idea wasn't flavor; it was freedom from the kitchen.
- **Kane 11 Socks:** Socks are about as undifferentiated a product as exists. Kane 11 created a brand position from a simple product truth: *The Leader in Exact-Sized Socks.* One specific, ownable claim transformed a commodity into a category.

Policing Your Brand: The Four C's

Unless you're a large company with a full-service agency, you are the Brand Police. Every piece of communication — every email, brochure, social post, pitch deck, and product label — must be evaluated against four standards. Ogilvy and those who followed him distilled these into what we call the Four C's:

Clarity	Does my message clearly express the brand position?
Consistency	Does it follow the brand look?
Character	Does it express the brand personality?
Customer	Does it align with the needs of the target customer?

In the lessons ahead, you will learn how to build a brand that consistently meets all four of these standards — and how to keep it there.