



## Color Reality II

### A Commitment to Color Leadership

#### How 'color-committed' is your company? What considerations, promises, liabilities and benefits are inherent to the life of color leaders?

##### I. The notion of color leadership:

Discussing the strategic life of color leaders necessitates that we open with a clarification of what we mean by 'color leadership'. As we argued in ColoReality [Winter, 2003], color leaders demonstrate fluency in color language, an innate, language that attaches specific meaning to color in a consistent way. Color leaders, we further proposed, are able to swiftly navigate and influence the color-meaning space by creating new meanings to existing colors or alternatively by applying existing color meanings in novel ways. These choices are seen when a company chooses to embed color in new product/offering to extend its existing meanings and/or create a new color meaning by leveraging color within existing products/offerings as shown in figure 1.

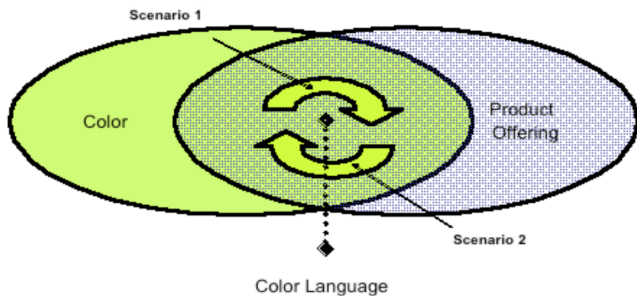


Figure 1: Color Leaders Use of Color Language

Exploring how color leaders employ color language we identify two main approaches:

*Scenario 1* - 'From Color to Product' – focuses on changing the meaning of offering using color: This scenario is demonstrated by the introduction of the new VW Green Beetle in 1998, a color rarely used before in this industry/product application, that was

now leveraged to capture a differentiated strategic position of the fresh, revived, and astute Volkswagen, strategically re-organized and 'fashionably correct'. Being the successor of the nostalgic Beetle that was first introduced in the US in 1959 and quickly grew to achieve a cult-status during the 60s, the new Beetle was expected to reposition Volkswagen and deliver a 45% sales increase within the first year of introduction.

This Green color, generally acknowledged for its association with a new beginning, first growth or freshness, was employed in a novel way to shake the auto industry that was entrenched in an established color palette and create new meaning of zest, presence and rejuvenation all to attract and stimulate a greater interest of a socio-graphically distinct customer segment [Lal & Pal 2002].

*Scenario 2* - 'From Product to Color – focuses on changing the meaning of a color or combination of colors using a specific offering. This scenario can be tracked by the use of Blue in the food industry. Blue has migrated from having a strong food association with mold and decay to be regarded as fun and tasty, for example Tarra Blues™ potatoes chips made naturally from blue potatoes served on Jet Blue's flights, Parkay's Blue margarine, and Heinz "Stellar" Blue Ketchup. Here the product context was used to attach new meaning to existing color, in this case – the color Blue.

Common to both scenarios is the leveraging of a color language within a desired strategic context. Color leaders therefore engage in developing and employing color language to influence desired strategic realities.

But now, that your mind's eye sees a Green Beetle with a Green little flower driving up a Green hill, do you also find yourself wondering about VW next 'color move'? Do you stop to ask why white has replaced the 'Magenta' I-Mac and where is Apple heading with their 'color strategy'? Do you ask how long would American Express be able to hold to its 'Blue' before it will decide to introduce an Orange gen-X card a la Old Navy's 'select your own color' - Blue, Green and Orange credit cards?

**II. The opportunity cost – color leadership as a promise.**

As we know the pursuit of opportunities involves direct and indirect costs and tradeoffs. Here too, color leadership, a position currently occupied only by few, presents a challenging set of dilemmas that stem primarily from the type of commitment the company has decided to establish in its *relationship with color*.

And while *color commitment* may seem a puzzling concept at first, committing in general is no foreign notion to us. In fact, we have implicitly institutionalized a fairly universal 'commitment scale', one that can be recruited to better understand the commitment of color leaders to color! To unfold this argument let us ask if you can name a company that has 'married a color'? Or one that is dating a color, or for that matter a few colors at the same time? And how about a company that is just flirting with multiple color partners?

Table 1 illustrates a typology that addresses the various commitments undertaken by color leaders. In general we differentiate between commitments made by the company as a whole and those made with relevance to specific products. We also make a distinction between commitments made to single versus multiple colors. Below are some examples to demonstrate this thinking:

	Stable Single Color	Dynamic Multiple Color
Company	'Married' A Color <ul style="list-style-type: none"> <li>▪ Jet blue</li> <li>▪ UPS</li> <li>▪ Home Depot</li> <li>▪ Clinique</li> </ul>	Committed to one color and flirting 'off-line' w/others: <ul style="list-style-type: none"> <li>▪ Starbucks</li> <li>▪ Target</li> </ul>
Product	Committed to a color <ul style="list-style-type: none"> <li>▪ NYC Taxi</li> <li>▪ Gehry's Seattle EMP</li> <li>▪ Red flyer wagon</li> </ul>	Dating multiple and changing color <ul style="list-style-type: none"> <li>▪ M&amp;M</li> <li>▪ Heinz</li> <li>▪ Apple</li> <li>▪ Sharpie</li> </ul>

**Table 1: Color Commitment Topology**

Let's look in greater detail at these four types of color commitment:

I. Product-Stable: The original Red Flyer wagon was first sold at the 1933 Chicago World's Fair. Then like today

the color Red became one of the critical distinguishing features of the product [and consequently, the brand too], and thus was kept unchanged ever since. Similarly, the first Yellow cab was introduced in 1915 and 88 years later, it is still the same Yellow, a Yellow that made New York City taxis famous around the world. These examples demonstrate product-color commitment that may prove challenging in the face of shifting fashion trends and a continuous growth in heterogeneity of customer base. Nonetheless product-color commitment allows building a symbolic differentiator of strong recognition even when the symbol is temporarily absent. For example, the 1998 Taxi driver strike in NYC was felt instantaneously by New Yorkers, including those that missed the morning news; it was the streets that look gloomy and yellow-less that immediately conveyed the message!

II. Product-Dynamic: Color-product commitment can also take a less monogamous form. Take for example M&M's or Heinz's relationship with color. These players has no one color that attracts them more than another, and thus they 'keep dating', somewhat searching, maybe flirting, and nonetheless, they have not settled yet on 'the one color'!

"M&M's"® 1941 first introduced Brown Plain Chocolate Candies, have broadened their original commitment to include Red, Green and Yellow [in 1961], and later, have further extended their palette to offer a new seasonal color blends including Christmas Red and Green as well as pastel colors for Easter special holiday line [launched in the early 80's]. Furthermore, in 1995, over a half-century after the original Brown candies were introduced, "M&M's"® launched a "mega" marketing event asking Americans to vote for a new color to appear in the traditional "M&M's"® Chocolate Candies mix. The choices included Blue, Pink, Purple, or no change. Blue won by a landslide with 54% of the more than 10 million votes cast! And lastly, "M&M's"® COLORWORKS®—a kaleidoscope of over 20 brilliantly colored "M&M's"® Milk Chocolate Candies has been made available to customer to create, for the first time, their own personalized color selection.

Like M&M's original Brown Plain Chocolate Candies, Ketchup was married to Red forever since 1876! Being the leader in ketchup, condiments and sauces, selling nearly \$2.5 billion worldwide in 140 counties Heinz sells 650 million bottles of ketchup every year. But how to grow this traditional product line, as liked as it may be?

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The daring move to color ketchup has paid handsomely! The imaginative new colors — from Blastin' Green® and Funky Purple® to new "mystery" shades as well as Wicked Orange® and Green Sauces® in Europe, have turned this 127 years old Red dinosaur into an attractive exciting offering in the eyes of teens all over the world. Consequently, Ketchup [and Heinz of course] is experiencing explosive growth and unprecedented excitement. The colors chosen exemplify the Blue Terra Potatoes chips and Green VW Beetle principle of using color language in a non-traditional way to reposition the company and/or its product offering in a novel and strategic way.

III. Company-Stable: Single color-product commitment does to products what marrying a single color does to the brand. "What can brown do for you" promotion doesn't require UPS to explain much! UPS leverages its fairly exclusive and long lasting commitment to brown to talk 'reliability-trust-earthiness' to its customers. Marrying a color and be seen with it in public circles, 'bring it home to meet the parents', go with it through life events, can create a powerful company persona! Clinique knows this implicit truth that JetBlue is now attempting to cultivate.

These years of commitment to a single color build strong identity and presence with particular expectations and promises attached to implicit meaning of chosen colors. Home Depot's Orange marriage promises customers the happiness and satisfaction of a retail experience closely tailored to their need of independence! Clinique's Green tells the story of youth and vitality, a message closely aligned with the mission of the company to maintain a position as the world's leading brand of prestige skin care, makeup, hair care and fragrance products trusted by women and recommended by dermatologists.

These marriages compliment the company's 'strategic talk' with a particular 'color promise' of youth [Clinique], *reliability* [UPS], and do-it-yourself *satisfaction* [Home Depot]. And just like always, not all marriage deliver against their promise! In late November 1995, Pepsi Cola International announced the global launch of a \$500 M brand identity redesign effort known as Pepsi Blue aimed at rejuvenate the Pepsi image by associating the brand with the color Blue to contrast Coca Cola's long standing commitment to Red [Quelch, 1998]. Pepsi's attempted re-commitment to Blue as ways of reviving old love seems somewhat

desperate when compared to the happy marriage that Coke has had with Red ever since the early 1900s and the passion that Red has generated among the company's global community of Coke believers. Coke's commitment to Red makes Pepsi's marriage to Blue very blue indeed and far less affectionate.

IV. Company-Dynamic: Target too has been married to Red since 1962. Perusing a 'Red' aggressive growth strategy, the Target Corporation's promise to give guests the best products at the best value was kept throughout the years and made this company a strong player in the retail industry. Lately however, Target's Red marriage has 'opened' itself to accommodate additional relationships. Thus, we've seen the Red bull's eye blinking in Yellow, Green, and Blue, alluding to the possibility 'open[er] marriage' between Target and color! Along similar lines, Starbucks' Green has become a strong symbol of the worldwide known coffee retailer, a color commitment that has never stood in Starbucks' way of flirting with multiple colors in its 'coffee palette' that decors the Starbucks' Third Place experience.

These four forms of color commitment all demonstrate relationships that color leaders embrace at the brand or the product offering level with color in order to recruit an implicit yet known color language to convey and reinforce desired messages in a pursuit of corporate strategy. While the opportunity is apparent and in general centered on employing imbedded meanings of the color language to shape desired and strategic realities, understanding possible associated costs is necessary before one decides to embark on any such committed color relationship. Here we distinguish between three types of costs:

1. Customer Interface: Positioning product/brand as seen in the case of VW's Beetle and/or Pepsi's Blue attempt necessitates continuous engagement in color relationship to fulfill promises and expectations made to customers. Take for example Nokia's proliferate cell-phone line that when first introduced in the US, it presented a sexy refreshing experience of multiple colors in contrast to the Black-boring Motorola phones of that time. Yet between the years of 2001-2003 this great fun and exciting color offering was consolidated and narrowed down to include primarily grey and blue offerings, a disappointment that was tackled again by the company's new introductions of cell products in the spring of 2003. Color commitment often leads to

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color promise and color expectation on part of consumers, a reality first cultivated by a color leader, that later requires an on-going engagement or else a response to an emerging disappointment.

2. Industry Interface: Color commitment often creates an industry dynamics that requires a strategic decision regarding future engagement. For example, Apple's Magenta and Turquoise I-Mac inspired Dell to 'inject' color into its computers' distinctive feature set. Now that the Gray-PC box assumption was relaxed thanks to Apple's daring color move, a new set of competitive dynamics have emerged to which Apple has decided to respond with an all-white offering [not be confused with what some might viewed as a "colorless" offering]. Industry dynamics evoked by color leaders may serve well these companies strategic needs at first but may also backfire later if the company decided to withdraw or change its color leadership position.

3. Company Interface: Color commitment choices have tremendous impact on the company's persona as certain colors connote certain identities and as such they anchor the company's personality in a very specific psychological space. Take for example UPS's Brown commitment. While values of trust and reliability can easily be anchored and reinforced by this particular color commitment to cultivate a desired company's identity, this locked in position is challenging if UPS ever gets interested in pursuing innovation and creativity, characteristics that are not necessarily associated with their 'Brown' identity. Strong identities anchored in strong color commitment may provide a strong backbone for the company to build off but may also be difficult to relax in the face of change and the resultant need to adapt.

### **III. Transitioning towards a color leadership position – A brief concluding note.**

While the strategic choice to establish color leadership position through color commitment is not cost-free as discussed, color leadership is likely to be viewed as appealing and inspiring to many. Transitioning towards this end requires the company to attend to three main questions:

1. What previous color - commitments have you already made [as well as - what expectations have you set, and what lessons have you learned from this color engagement experience]?

2. What are your color - commitment capabilities [are you a long time committer? did you ever fall in love with any particular color and if so, how well did you handle this experience, etc]?
3. What color-commitment will be strategically appropriate to the company given its industry context, its competitive environment, its vision, and its competencies?

Addressing these questions in greater detail serves as the core of our next discussion.

### **References**

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