
Editorial: The branding iron: From cowboys to corporations

INTRODUCTION

In the late 1800s, cowboys drove huge herds of cattle across the central plains of the USA. During these cattle drives, the cowboys would often meet other groups of cowboys driving their cattle. As was often the case, the cattle would come together to form one enormous herd. To tell which cattle belonged to whom, each ranch had its own special symbol that would be branded with a hot iron on the hide of every calf belonging to that ranch. Ranchers generally used three types of marks in branding — figures, numbers and letters, with the brands being read in one of three ways: from left to right, from top to bottom, and from outside in.

Each brand became almost a heraldic crest — a cattleman's coat of arms, if you will. Brands not only identified an owner or a ranch, but also provided a set of traditions and a unique sense of identity for the cowboys. It was not uncommon for a cowboy of the times to ride for the brand more than for the individual ranch owner.

Today, companies endeavour to create internal branding efforts that will inspire the same employee loyalty and sense of identity and purpose. Modern brand managers could learn much by the examples provided throughout the history of brands.

HISTORY OF BRANDS

Egyptian brands: Early signs of ownership

The use of brands as marks of identification dates back some 4,000 years.

Inscriptions and picture writing on the walls of ancient Egyptian tombs indicate that cattle were branded as early as 2,000 BC.¹ Since the scar made with a brand could not be taken off or outgrown, it was a highly effective way to mark ownership of living animals.

Spanish brands: Extensions to family brands

A traditional Spanish family brand of letters and symbols amounted to a family crest. A new heir called for the addition of an initial or curlicue to the brand. In time, the brands became very elaborate. Could it be that these Spanish brands were the first example of brand extensions?

Brand of Cortez: Brands leveraging secondary associations

Branding as a formal cattleman's process came to America with the Spaniards. In 16th-century Mexico, Cortez experimented with cattle breeding. His brand — three crosses — may have been the first brand used in the western hemisphere, and one of the first recorded brands to use the brand management principle of secondary association leverage to drive a branding message home. Potential cattle thieves would have to think twice about the eternal consequences of stealing cattle marked for God.

As cattle raising grew, in 1537 the crown ordered the establishment of a stockmen's organisation called Mesta throughout New Spain. Each cattle owner had to have a different brand,

and each brand had to be registered in what undoubtedly was the first brand book in the western hemisphere, kept in Mexico City.²

XIT brand: Company name to acronym brand

One of the largest and most famous brands in the late 19th century was the XIT brand. In exchange for building the Texas Capitol building, the Capitol Freehold and Investment Company of Chicago, Illinois, acquired vast amounts of West Texas property on which to raise cattle. For obvious reasons, it was not possible to stamp the actual name of the company on the hides of the animals, so the shortened 'XIT' brand was used. This is an early example of how an acronym branding effort gave rise to the common name for a large corporation. Other examples of this type of branding outside the world of cattle include corporate giants such as ITT, ATT, BP and GE.

The maverick

Samuel Maverick ranched along the Gulf Coast of Texas in the mid 1800s. Counter to common practice, Maverick failed to brand his cattle, so all unmarked cattle in the area were assumed to belong to Maverick. By 1860, any unbranded calf on the Texas prairie was called a 'maverick'.

Today, corporate leaders, and, in fact, corporate brands, position themselves in the modern interpretation of the word maverick, being 'one who counters common practice'.

Examples of today's corporate mavericks abound. Herb Kelleher, of Southwest Airlines, and Richard Branson of Virgin offer two excellent

examples of the 21st-century maverick. Additionally, corporations such as Apple Computer and Harley Davidson Motorcycles continue in the spirit of 'countering common practice'.

The cowboy branding process

On the great plains of the American west, 'ketch hands' roped each calf and pulled it near the branding fire. Flankers then grabbed the calf by the ear and loose skin of the flank, lifted it up and laid it on its side. Others called out the brand of the calf's mother and the appropriate branding iron was brought to the fire.

While one man held the calf, an 'iron man' branded the calf at the hips, ribs, or shoulder according to the practice of the owner. The owner's wishes were documented in the 'brand book'. Iron tenders heated the irons in the coals of a wood or cow chip fire until the iron turned the colour of the ashes — not red hot. If the iron was too hot it caused a sore that could become infected; too cold, and the mark would 'hair-over' and leave no lasting brand.

Modern brand managers employ an analogous process. Today's ketch hands are typical pre-purchase activities such as advertising, sales promotions, point-of-purchase displays, and trade show sellers. Each element is designed to bring potential buyers 'closer to the branding fire'.

Ropers of today often take the form of lead management and customer relationship management (CRM) processes. As prospects come into the company via electronic means they are often tagged via a cookie or other ad-serving technique to identify their origin.

Some companies have consistently

done their branding job so well that their customers come willingly to the 'branding fire'. Examples where customers actually brand themselves include: Harley Davidson Motorcycles — whose customers often tattoo the company's logo on their bodies; Nike — with millions of customers, around the world, branding themselves with the Nike Swoosh. The same can be said for other popular clothing brands from Ralph Lauren's Polo to Greg Norman's Shark.

Where the ultimate aim is for customers to perceive a brand as unique, relevant, credible, and differentiated enough to seek it out, most brand managers must adopt the cowboy's 'iron man' process and apply the brand one interaction at a time. Rather than having one 'iron man', however, modern brand managers must look for ways to make each brand representative an 'iron man' in its own right. Today's brand 'iron men and women' must look for ways to imprint their brand on their customers through behaviours, attitudes and delivery of brand promises made.

While it is entertaining to draw similarities between the branding process of the cowboys of old and modern branding, it is, admittedly, an over-simplification. Today's brand managers do not have the luxury of taking one key opportunity to permanently brand their customers for life. In addition, unlike the rancher, the brand is not truly owned by the company, but by the customer.

MOMENTS OF TRUTH

An important goal of modern brand managers is to uncover each 'moment of truth' in the relationship between

their brand and the customer. For it is within each moment of truth that brands are built or damaged. Being a frequent business traveller, I will use the airlines as an example; however, many other businesses provide abundant examples.

Competition within the airline industry is fierce. Consequently, significant investments are made in traditional mass branding activities such as advertising, brand architecture, look and feel, and other identity alignments. What, based on my all too frequent experience, is missing, is a true focus on 'moments of truth'. Moments of truth are those times where the modern 'iron man' has the opportunity to create a positive branding experience for the customer. These moments include everything from the time spent on hold waiting for a reservation agent, to the interaction with airport ticketing agents, gate agents, customer service representatives and perhaps most important of all, the cabin staff.

On a recent flight in to and out of a major US airport, there were significant weather and air traffic control delays. Flying into the airport, the cabin staff handled the situation extremely well, with empathy, humour and understanding. The net effect was that the passengers were informed, knew the bounds of what could and could not be done, and trusted that the brand representatives were doing everything possible.

Flying out of the airport on the same airline, but in a different plane and with different staff, the situation was completely reversed. The cabin staff did not communicate, were not empathetic, and were not friendly in any way. At the brand/customer 'moment

of truth', the net effect was a plane full of people who had a very bad experience with the brand. This was completely unnecessary.

The key for effective overall brand management is to ensure that each 'iron man' understands his or her role in the branding process. In the airline example, each person from customer service representative to cabin steward is the brand manager. They represent the brand to the customer.

Like the cowboys of the Wild West, today's brand managers look for ways to differentiate their product or service from similar offerings. The modern brand is a sign of ownership, of heritage, of quality level, and of employee identification and affiliation. The trick is to apply the brand 'stamp' consistently so that it leaves a lasting mark on the mind, without being too

hot as to cause a sore, as in the airline example above. On the other hand, the branding iron must be hot enough to prevent 'hair over' and thus no long-lasting branding effect.

Acknowledgment

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Editorial Board

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