Podcast

Customer first thinking.

Designing for Emotion:

An Interview with Jean-Pierre Lacroix, Founder and President, Shikatani Lacroix Design

Jean Pierre Lacroix:

Jean Pierre Lacroix is the Founder and President of Shikatani Lacroix Design and the author of the "ThinkBlink Manifesto".

Is it better to appeal to a consumer's head or to the heart?

Back in the mid-20th century, during the embryonic years of mass marketing, that question wasn't even up for debate. Marketers automatically assumed that consumers wanted to see the facts first. So a brand had to prove through its advertising that the product was superior: "Here's why our freezer is best", backed by a set of functional claims ("Freezes twice as fast"), supported by scientific proof ("Independent lab tests show that…"). The copy-heavy ads were often illustrated with pictures of happy housewives swooning over the product.

At the time consumer behavioural research figured that people were inherently rational beings. As consumers, they absorbed the facts, mulled over the features and benefits, carefully weighed the competitive trade-offs, and then made a calculated decision to buy. They moved progressively along a linear path through the stages of Attention, Interest, Desire, and Action. Marketing messaging had to work hard at giving a potential buyer a clear and defensible "reason why" based on its "unique value".

That theory was upended in the 1960s with the Creative Revolution in advertising, sparked by a counter-cultural uprising amongst young adults looking to break free from social conformism. To connect with this new, free-thinking generation brands had to become more culturally relevant. And the fast growing visual medium of TV forced advertisers to abandon hard sell copy in favour of more aspirational lifestyle imagery depicting "The Good Life". In an era when all consumer products seemed to come off the same assembly line, advertisers tried to differentiate their brands by playing to people's innate desires and emotions instead of playing up the functional utility of the products.

The creative breakthrough came in 1959 when Bill Bernbach's agency DDB boldly launched the "Think Small" campaign for the newly arrived Volkswagen Beetle. The Beetle ads broke all the old rules of advertising: they were irreverent, tongue-in-cheek and self-deprecating. Their anti-establishment tone resonated with new car buyers who could identify with the renegade positioning. Buying a Beetle soon became a cultural statement. The campaign was so successful that it convinced the entire ad industry to pivot. This historical turning point was memorialized in an episode of Mad Men when Don Draper, listening to his creative team mock the minimalist ad design, says, "I don't know what I hate about it the most—the ad or the car - but say what you want, love it or hate it, the fact remains we've been talking about this for the last 15 minutes."

It took a while for behavioural psychology to catch up with the Creative Revolution's recognition of emotion as a catalyst of consumer choice. The turning point came in 1980 when social psychologist Robert Zajonc published a paper called "Preferences Need No Inferences" in which he argued that people instinctively feel before they think. As consumers they make an instantaneous, emotional decision to buy, and then fall back on logic to rationalize that choice. Capture the heart first, he advised, and the mind will invariably follow.

Much later on, in 1994, the neuroscientist Antonio Damasio, after clinically studying patients whose emotional parts of the brain had been damaged, concluded that people are incapable of making even the simplest of choices if they are deprived of their ability to feel emotion. In other words, people are mostly guided in the choices they make by gut instinct. They prefer to go with whatever decision feels right. His discovery was further validated by Daniel Kahneman who in his landmark book "Thinking, Fast and Slow" outlined two types of thinking: System 1, ruled by emotion, and System 2, driven by reason. He made the case that 90% of our decisions are driven by emotion.

These research findings confirmed for marketers that first impressions matter. If feelings do in fact trump thinking, then the job of brand advertising was to influence the emotions consumers feel in the moment. And, according to Jean-Pierre Lacroix, co-founder of Shikatani Lacroix Design (SLD), one of the world's foremost design agencies, that moment occurs in the blink of an eye - what he calls the "Blink Factor" - the fractions of a second that a brand has to make an immediate and indelible impression through sensory cues. The trick, of course, is knowing which emotion to trigger.

Jean-Pierre founded his agency in 1991 along with his creative partner at the time Ed Shikatani. Today his client roster includes such powerhouse brands as PepsiCo, Kraft and Cineplex. The core philosophy of his agency centers around the idea of "ThinkBlink", the major tenets of which he describes in his latest book, "The ThinkBlink Manifesto". What makes his agency different from most design shops is that work on the visual assets only begins after a rigorous strategic analysis. That makes his agency more of a hybrid shop, specializing in full brand transformations by combining the traditional strategic work of a branding agency with what he calls "immersive experience design".

I started by asking Jean Pierre what initially drew him into the graphic design profession.

JL

Jean-Pierre Lacroix (JL): The Air Force, yeah. Yeah. You know, it's interesting. I grew up on an Air Force base. My dad was in the Air Force, Canadian Royal Air Force. And I always had an interest in flying, or aspiration, but my true passion, that obviously came out later in my life, was design and drawing. And so I was trying to decide what channel I should go, should I join ROTO [Regular Officer Training Plan] and get a degree in the military, or should I go to a college and get a design degree? And so I applied to both ROTO and Sheridan College and I said, I promised myself, whoever responded first would be the direction I was going to go in my career. And Sheridan College literally responded within weeks. And so I said, this is a sign that this is right for me. And actually, in hindsight, it was definitely right for me.

And so I, moved to Toronto from a farmhouse near Cornwall, to going from no city to big city. And went to Sheridan College in Oakville and graduated in 78. The professors had bets on me that I would actually graduate and I graduated top of my class. I actually won the Intercity paper award for best student. And I was one of the few students that year that actually got a job. And I got a job at 50 Fingers, a design firm that became Spencer Francey Peters. And I think they're currently, I think their name is Trajectory. But we designed album covers for musicians and that was a lot of fun. And we did some crazy things. I remember shooting an artist underwater in a swimming pool to give it that sense of being in space and having the dive equipment and almost drowning the poor guy. But anyways, it was fun.

SS

Stephen Shaw (SS): That must have been foundational for you, because I think about album covers, you've got to capture the essence of a brand, its music, it's particular theme. That must have been a real learning experience for you.

JL

It was, it was, it was also learning how to deal with clients and the nuances of their needs and and wants and aspirations. And so it was a great learning. And 50 Fingers, Peter Francie, was still in business, was an incredible leader. He allowed me to have full exposure to client relationships and understand and talk and present to the clients, even as a young designer with a year of experience, I was brought into meetings to present my creative, and that taught me a lot from there. 50 Fingers, I was there for about three years.

And then a friend of mine convinced me to go and work for Savage Sloan[1]. At the time, they were the leading industrial design firm in Canada. They had Shell and

Labatt. So I got to work on consumer packaged goods, but also some environmental design for Shell, and I really enjoyed that. But David Savage[2] had envisions of me becoming a partner, and I was too young to really see the value of that. So I ended up leaving there to work at McCann Erickson, running it, working in a division called Nova Communication. And there we did point of sale, POP, and all of that fun stuff. And working in a big advertising agency was key learning.

But my mentor then was Brian Cahill[3]. And Brian said, hey J.P. you're an okay designer, but you're much better in boardrooms and in meetings and presentations. I'm going to take the drafting table away from you, and I'm going to give you a desk, and your role now is to service clients. And at first, I was really kind of crushed, but he saw something in me that I didn't see in myself, which is the ability of being a good communicator and a good strategist on why that design is important and has value. And that shaped my career for the rest of my life. *[10.41]*

SS So you had moved from a smaller agency to a big agency, McCann. That must have been a cultural shock for you too, though, right?

JL Yes. Oh, it was. And the politics that came with it, all of that fun stuff, it taught me that's not what I wanted my career. I remember we had won the Kodak account at McCann. It was a big win. And at the time, we'd also been working on Tetley. They had won the Tetley account, and I was doing their packaging and managing their packaging transformation. And one day I just came into the office, said, this is not for me. I don't like the politics. I don't like big business. I'm going to start my own firm with a friend of mine. And we started Boulevard Communication. And we were lucky because the clients were so passionate about our relationship that McCann put me on a retainer to be able to continue working on those businesses. It was a smart move for them because they were big accounts. And that became the foundation of Boulevard, my first company.

We became the largest branding and consulting firm in Canada. We had 150 people in Toronto. We had basically a whole city block. We had an office in LA with 30 people and we had purchased a company in Vancouver with 10. We were in the process of acquiring a firm in New York. But it was like the Beatles: we grew by taking on new partners and each one of those individuals were very successful at people. But working within a group of partners was proven to be a real challenge. So we dissolved that business in 89 and I started Shikatani Lacroix Design with a junior partner at the time who I made an equal partner at Shikatani and then I bought him out 10 years later.

SS Your agency today is renowned for, I'm going to just use this term, "holistic design" I think, if I can apply that to your business, harmonizing all of the design components, packaging and signage and online interfaces. As a design shop today in today's world what's your "onliness" statement, to borrow Marty Neumeier's expression, and this is apparent in the book: Is it the fact that you bring a lot of scientific rigour before you even start the design process? It's really the two in combination that leads to success?

JL No, it's this singular, focused, razor sharp attention to this premise: that people don't make decisions rationally, they make decisions emotionally. And that design is a very effective tool in reflecting and harnessing those emotions to the benefit of the brand. And so the "blink factor" is all about understanding that people not only make those decisions emotionally, but they make them in a split second.

We have two parts, we've got several parts of our brain but the two main parts, left and right. One is instinctive, emotional, the other one is thought process, slow, meticulous. The meticulous side of the brain requires a lot of energy. And so the body doesn't want to use the energy, they want to find the easy route. And so they use, to create a brain, the limbic brain in the back of your skull, to make these quick decisions. And so the belief factor is all about making these shortcuts, these emotional shortcuts between the brand and the consumer and making that buying decision easy for the consumer by making that brand visible through colour and shape, distinctive colour and shape, by telling a story that is compelling, that talks to moments in that customer's lives and a variety of other factors that you can find in my book.

But that is, you know, how we focus, our belief. And the great news is that when we started "Think Blink" and the "Blink Factor" in 1993, was when we actually trademarked it. We had actually developed it in 1990 when I started the company, the first year we started. Today it's even more important because - what do you have? - you've got news and information that's not factual. You've got typical retail store today has 80,000 products, where before, when I grew up, we were lucky if there was 15,000 products. The average consumer has two, the family, has two jobs, mother and father. We're stressed for time. We don't have a lot of time. And so we're inundated. Shop Amazon, shop retail. There's so many products to make a decision. The "Blink Factor" cuts through all of that. It is actually more important now than ever before. And now with AI, it becomes even more important. *[15.36]*

SS How did you land on the concept in 1993? What brought you to that idea? That kernel of an idea?

JL When I look back in hindsight, I go, wow, that was a lightning bolt. I'm, first of all, it has to start with the founder. And I'm an extremely curious person. I'm always wanting to learn. When the pandemic started, I said, this is a perfect time, I'm not having to travel in a car or go to meetings or fly, I'm going to get a degree on AI. And people say, what's AI? Is that the Terminator? And AI is about how it's going to apply to business. This is before OpenAI was even conceived, because I saw the future. But anyways, I'm a very curious individual.

So we were doing some research for Pizza Hut and consumers were saying, well, I look for the Red Roof. I'm going to the Red Roof for dinner with my family. And I'm going, what do you mean going to the red roof? It's called Pizza Hut. And we were looking at different names for Pizza Hut, like Pizza Hut Cafe. So I was kind of saying, okay, you know, we're going to have an issue here if they don't even call the brand by its name, they call it by its shape. So I went back and said, why is that happening? So I went back and did some research, and there was very little research on emotional connections at the time, there's almost none. But there was this study or this article that was written that 40% of all communication is visual, 80% is colour and shape. And color and shape is how you connect emotionally with products.

And so I said, well that's interesting, what a thought. And then I coined the phrase the "Blink Factor". And then we trademarked it in 1993. And that was 10 years before the book "Blink" by Malcolm Gladwell[4] came out. And it had been published by a couple of trade publications at the time because it was very novel then and interesting enough, I was just in New York yesterday being interviewed on the whole premise of the book. It's very relevant today as it was then.

SS Yeah, maybe even more so, as you were alluding to earlier. I want to talk about the design business a bit because that's changed over the years - your trajectory of your career. You've been through basically every evolutionary change. So I just want to understand a bit about how you're brought in to work on specific assignments. And so are you typically brought in to address a specific design challenge, say a retail store makeover, just to use that simple example, versus a wholesale transformation? And if it's just a specific design challenge, how are you working within the constraints of any pre-existing brand standards or is part of the exercise to convince the company that maybe you should have another look at those brand standards? How does that all work, the dynamics of that, work for you as a business?

JL So if I were to summarize 36 years at SLD and another 10 at Boulevard, so 46 years of design, into one diagram, to answer your question, it would be a Venn diagram. Horizontal would be the relevancy scale, the relevancy risk, and the vertical would be from an executional standpoint, the complexity. So most companies come to us -sorry, the evolution would be the vertical evolution. Vertical evolution to revolution of the vertical - minor relevancy issue to major relevancy issue on the horizontal.

So when you think of that matrix, you have brands that we call full transformation. Their relevancy of their business is under attack. There's a question if they're going to be a category that exists, and I'll use an example, CompUSA[5], where we did their full transformation. A lot of things we recommended, they didn't pay attention to us, or didn't believe we were right. We were right and they were wrong. Unfortunately, they paid the price and so did the shareholders. And that was a client that required that the relevancy was severe and the need for transformation was severe. And so they would fit the top right board.

But then there's other brands where the relevancy, they're still relevant. Gatorade if you like, or Miss Vickies's, or Pepsi, they're very relevant, but they want to stay relevant. They're not at risk. But if they stay the way they are now, they will be at risk long term. And so there you do an evolutionary design where you tweak, modify, you may, reduce some elements on the packaging. And so that, to answer your question, that really is, is the relevancy under attack, to what degree is it under attack, will necessitate, is it evolution to revolution in the change management of that brand? *[20.22]*

SS So before you put pen to paper, so to speak, you're really delivering a brand strategy that positions, to your point, that positions your strategy in terms of the growth of that business. In other words, the importance of your work or of your recommendation is, you've got to do this in order to either survive or continue on a growth trajectory. Is that fair to say?

JL It is very fair to say. And so the first step is we call a gap analysis or just opportunity report, which is ultimately a gap analysis. And we look at, here's where we are, here's where we need to be, and here's the things, the levers change that you need to implement. We have a whole model we use that you as an organization need to undertake in order to make that transition. And that will look at who their customers are, who their current customers are, who their future customers are, the competitive set, what are they doing and then best in class, outside the category because future's already here, it's just not evenly distributed. The reality, the solution of a client's problem often isn't within the industry, it's outside the industry, but it's already been created.

And so we go outside the industry to really understand those dynamics, right? And then we do interviews with the management team and a variety of other tools we have, including applying an evaluation based on the "Seven Tenets"[6]. We have an AI model we use that's very, very, very detailed and actually scary detail and very predictive. And so we do all that exercise. We come with an opportunity report to the client, say here is the degree of change you need to have, here's where those changes need to happen and here's why they need to happen and here's the different scenarios we need to consider to make them happen. And then we get a buy in and then we move on.

SS It's kind of what I was alluding to earlier when I asked you what really differentiates you from other design shops. And it sounds to me like the process that you go through, the rigour of what you do, the analysis before putting pen to paper, is a differentiator, is it not?

JL It is. It is. And, a lot of agencies will say they do that, but they don't do it to the level of rigour that we do. And also they don't use the tools that are proprietary that we have that separate us. And the impact is significant. When we go through this process, we identify these opportunities and then we execute on those opportunities, the impact is enormous.

I'll use an example. Tetley Tea. They came to us for their special tea. This is 20 years ago. Same principle, same process. We did some ethnography research. We found out that the biggest challenge for their specialty tea isn't the flavours, isn't the varieties, it's the actual packaging. The fact that it doesn't store the product properly, doesn't keep it fresh. We introduce these round canisters that had fewer bags in it, smaller package, so they can actually have double or triple the facing at retail. It grew their business 40%. 40%. For a brand that was already dominant in the marketplace, that already was the market leader, we actually grew their brand that amount. So that's the strategic process we have that very few others, they talk to it, but they don't have it.

SS So transformation, the word is a loaded term, but it's often a minefield. And so it's a risky undertaking by the client and sometimes by the agency. Before even starting a client project or taking on a client, there's a probability of success or failure here. What's the one thing you need to know from a client that assures you that this is going to be a partnership as you march down this path of transformation? And are there circumstances where you will turn your back on a project simply because you know it's not going to succeed?

JL Yeah, we've done that. There is a key red flag, and that red flag is alignment. And I'll use an example, OfficeMax[7]. So we were hired to do a major transformation for OfficeMax. Now, the way OfficeMax was structured is they had a President for retail, President for e-commerce. Then they had a holding company President. And we were brought in for the retail group to develop a new concept for them. And through our discovery and our process, we identified that they needed to go from rural 27,000 square foot stores to an urban 50,000 square foot store and change who they're going after. They were going after, instead of being families, they're going after small businesses, predominantly small businesses, which required a whole rethinking of their service offering, their product mix, everything.

So we're in a major three day strategic retreat with all of their executives and we're starting to present the opportunity report and some of the scenarios we need to explore as part of the workshop we were going to do. And then the President of the holding company said to the President, retail: "Where did this come from? This is not what we agreed to. This is not the direction we want to go. We need to be more radical or we need to consider a format in the suburbs because that's where all our stores are".

And so, and it got heated and so they left the meeting for half hour to hash it out. Then they came back and they said, no, no, you'll follow what the retail president wants to do, I think in further discussion itself. But that's a lack of alignment. But it went further because the merchandise group weren't aligned with the vision either. So they didn't help us. We built three stores and after the success of the third store the merchandise group said, hey, I think we need to help you on the assortment mix. They weren't bought in. So the answer to your question, internal alignment, critical. That is the red flag. If there's no internal alignment on the vision that we're trying to create, it will result 90% of the time with a failure. *[26.27]*

SS How do you do that litmus test? When you first engage with the client, do you do interviews with the executives to make sure they're all on board?

JL Yeah. So we do a project charter to start off with. We list all the key players within the client's business that are going to participate. We then do management interviews with all of these individuals and in there we identified the barriers to success and where they're convergent and divergent on our thinking. And that helps us as strategists to understand what is the model of process we're going to create to be able to overcome some of these internal challenges that are happening. Because we have not done one project yet where there is 100% alignment within a company. There's always a group or a cluster of groups who see the future differently.

SS That's common with transformation projects. Whether you're talking about design or technology, or you name it, it's very common. There'll always be a group of resistors. It's just, they hate change.

JL Well, it's either they hate change or the impact we're going to make on their business may impact their department and the amount of money they're spending in the department, right? They may lose control of, for example, in Office Max, we shifted the emphasis to their services department. We said there's higher margin in providing services than there is selling paper. And paper, Amazon is going to have you over the barrel in a couple of years and so don't build your business on something you're going to lose anyways. But the group that were selling paper and ink cartridges, they didn't like us. They didn't like the strategy, right? Because it was going to affect their area of expertise.

SS I've had various digital transformation experts on this, on this podcast in the past, and the very thing you're describing is something that's quite common. Let me ask you a variation of this question, though, is what's, when you're working with a client, what's the one thing they inevitably fail to do that makes your job so much harder? What would, or maybe ask another way, what would you like them to stop doing that would make your job easier?

JL I think it's internal biases. Very often we are brought in on a project where they had attempted some variation of that idea in the past and it hadn't been successful. And so it's kind of overcoming their biases. They're their prejudgment of what they think the solution is, very often we're brought into a project and they've already, in their mind, decided what it's going to be like. And I'll use Dairy Queen as a perfect example of that. So when we were hired by Dairy Queen, they're struggling to sell food. Even though they've been selling hot dogs and hamburgers and fries since the chain started, they weren't getting credibility. When consumers are thinking of hot food, Dairy Queen wasn't on the list. And so their solution, when we were brought in, their solution was to launch a new burger, right? A new burger. And we came in and we said, no, that's not going to solve the problem. Because it's not about food. It's about the experience. You don't have credibility to sell hot food. The experience is not telling customers that you're in that category and we got into a huge argument but luckily the leadership stuck to our process and we launched DQ Grill and Chill to what the greatest success story of any food service operator: 17 years or 15 years of consecutive growth, double digit sales growth. It's owned by Warren Buffett. He doesn't share the sales numbers, but I can tell you McDonald's would be envious what we did with Dairy Queen. *[30.17]*

SS You mentioned the word alignment. And so there's the internal alignment challenge obviously. But you also have to obviously run into conflict with either an agency of record, that may have done the branding work prior or still is doing branding strategy, or consultancies that are brought in. How do you navigate those conflicts?

JL Well, we have one of our pillars in our company values is collaboration. If you talk to anybody that has ever worked with us, they'd say they're the most collaborative team we've ever worked with. And so, we understand that people have staked out as a territory or discipline or responsibility that in their mind may, that our role may, impede their credibility. We involve them right from the beginning and sometimes the people we involve are our competitors. We may have a corporate identity company involved because we're doing the physical transformation. We're going to involve them in the brainstorming session because we want everyone at the table to have a contribution to the success of the program that isn't just marketing or operations or retail – it's everyone, including all the partners.

And a testament to that would be, a while back TD came to us, and TD has some amazing advertising agencies and direct marketing and activation. But they came to us and said, you know, you're the brand stewards for our brand and you've been managing our brand for 30 years. We want you to manage - because we're having trouble getting outside of our thinking and thinking outside the box – we want you to manage what the next campaign should be. We want you to work with our agencies, but you need to be the lead consultant in guiding them. And so we had a huge brainstorming session with all the advertising agencies. And you have to understand, some of these compete for dollars, right? Activation versus PR versus paid media. They're all fighting for a piece of that pie.

But we worked together and we came up with three brilliant campaigns. They got, one of them got executed, actually the ideal campaign, which was to change the design of the chair to reflect the demographics of their customer base. So if they're talking to Gen Z's, the chair is contemporary. Or talking to silver haired guys like me, the chair is comfortable and somewhat of a La-Z-Boy. And so that part didn't happen but everything else did. And everybody participated in supporting that one campaign because they all had skin in the game. It wasn't the broadcast agency's idea, it was everyone's idea.

SS Well, I've been down the path myself so I know there are sharks in the water often, so it's, it's a tough one.

JL Oh yeah.

SS So let's move on to some of the themes in the book obviously and one of the interesting aspects of this - and again it's a bit new for me, I'm more out of the data driven world that I am out of the branding world – but you say in the book that a brand needs to determine the exact emotion they should own. And that obviously can't be easy. Can you provide an overview? And I mean this goes back to obviously your Seven Tenets, et cetera. But can you provide an overview of actually how you get to land on the right emotion?

JL Yeah, it's the rifle versus the buckshot. It's the sniper versus the machine gun. You're going to get more traction by the sharpshooter, the single bullet. And that requires discipline because positioning is as much what you're not going to do as it is what you're going to do. So owning an emotional moment or equity is critical because that's the foundation. It's the razor edge that's going to direct all of your communication, your strategy and your marketing.

So to get there we have a model we use, we have partners we work with, where we map out the emotional equities of the category. So what is the ideal emotional territory category? Maybe it's discovery, or maybe it's reassurance, or maybe it's recognition. What is that sweet spot that consumers aspire to have when they're buying within that category? And then we do an analysis of the different brands that compete in that category. Which territories do they own? Like if you use banks, which to a certain degree are all commoditized from a service offering, what does RBC own versus TD versus BMO versus Scotia, all of these, right? And which ones do they own.

And so then you make an analysis of okay, here's the white space, here's the space that no one's really capitalized. That's really important for the customer. Here's some equity bridges that you own on the emotional side. But here's the one emotional word that we need to own: Comfort. We need to own comfort. Why comfort? Because banking is a pain in the butt, right? It's complex, it's confusing, it's full of rules. We're going to make it comfortable for you to bank with us. We're going to make the hours longer, we're going to open more branches than any of our competitors - that's TD.

And they built their whole model around comfort because that was a need, an unmet need in the marketplace, an emotional need, the customer looking for. Now, are they talking comfort today? Not at all. Why? Because the whole industry is match comfort. Scotia is as comfortable as RBC as TD. Now they're called more human. Why? Because we have AI and we have technology and it's all confusing. And when we want to deal with the bank, we want to deal with humans in the bank, regardless if it's on the phone or on the web or in the branch. And they're really smart to do that because they're answering an emotional needs state. *[36.26]*

SS So in the book, you talk a lot about Hotspex Research[8] being a key supplier for you in helping you arrive at that. How do you incorporate their methodologies in this work?

JL They're part of the initial assessment and then they're part of the validation of the concepts. We just finished a major drugstore chain and we did a benchmark study where we did the assessment of the category, where the white spaces were. And within that, we did a segmentation study to find out personas and segments that we want to go after. We then took the concepts that we wanted to bring to life - three different options. We validated those through those emotional territories to find out which one resonated the best, amplified the best, the one emotion that brand needed to own. Hotspex's been part of our process since they started, so we were one of their first clients. When Shane Skillen started the company 25 years ago, we were doing research for Tetley on their brand, their brand architecture, and we brought them in to do an emotional analysis of the Tetley brand. And by the way, Tetley is number one in the tea category in Canada and maintains that position today as it did when we started working with them.

SS Sorry, my understanding is they have this tool called Modus Sphere, have I got that right?

JL Yeah, yeah. So emotions, they track 17,000 emotions on their model. And now it's supported by AI tools. On the perimeter edge are the negative emotions. And the emotions are divided, I think, in 12 sectors. Trust would be a sector … discovery. They go through all these sectors on the outside of the negative. So in a sense of discovery, the negative side is "confused", "lost". These would be negative emotions. At the core would be what I'll call the critical emotions. But they're also non-differentiated emotions. Like trust. Everyone needs trust. Everyone needs to own trust if they're a brand, right? It's not a differentiator, it's a foundation. But the game is in between the negative sphere. In the core sphere, there's a zone, and in that zone are all the other emotions, those 50,000 emotions that they map. And then they do a heat map of where your brand fits against those 12 zones versus your competition. I mean, right now, RBC and P&G and some of the largest brands in the world use that model to evaluate everything they do.

SS Fascinating. So let's delve into another statement in your book, is that you believe that brands need to shift from products to meaningful immersive experiences. Can you just explain the thinking behind that?

JL If you want to create a relationship with the consumer, there are triggers, if you like. Obviously the Blink Factor, the ability of recognizing that brand in a cluttered, crowded environment's critical. Got that … visual shortcut. But the other part of that is storytelling in the ability of embedding memories. We buy through memories. We don't buy that Tide … so we buy that memory when we were using Tide, and how clean the clothes came, and how proud we were with our children going back to school and their clothes were spotless. That's the memory that when you're in the store is triggered when you're making a buying decision.

So it's this creating these memories or amplifying these memories. You can see it in the commercial. That's exactly what Tide is doing right now. The kids rolling in the mud and parents saying, will that clean that? They're embedding memories that are triggers when the consumer is making the buying experience. And those are immersive … immersive means close to your heart. It doesn't mean technology. We coined the phrase immersive experiences. When we coined the phrase immersive experiences 15 years ago, the only company using the word immersive when we did a Google search was a theater company in New York. No one even knew what that meant. And so .. but immersive is not technology. It's not virtual reality and all this. Yeah, it is, but it's not. Immersive is the deepest emotional connection you can have with your customer. And so by having these experiences that are memorable, they're emotionally triggered. These are immersive experiences. They trigger a recall. When you're looking at the product at the shelf, or you're looking at buying a car or clothing, they trigger that memory you had that was very positive. *[41.25]*

SS Byron Sharp talks about being top of mind and that triggering obviously is key to being top of mind and salience being another factor. And let me just pursue that a little bit more. The other key theme in your book is the idea of simplification, removing the complexity out of the decision making, reducing cognitive load, all of those things, obviously. But it does raise this question of, should the brand aim for differentiation - this is an ongoing debate - or distinctiveness? So Byron Sharp and company land on the idea of distinctiveness, but differentiation really has been behind brand strategy, unique value proposition, for decades. Where do you land on that debate? Distinctiveness or differentiation?

JL Oh, it's a great question. I land on differentiation because you can be distinctive and totally irrelevant. So let me use a perfect example. It's very relevant. It's very topical right now. Spotify's new logo - it is distinctive, disco ball, but it's not differentiated. Their old logo was differentiated. And so, you got to be careful. Distinctive means that it's kind of unique. Distinctive means it's not part of the expected. And if distinctive supports a point of differentiation, if it supports the Blink Factor, supports the emotional connection and the memory recall that the brand had, then it's right. But if it's a distinctiveness for the sake of distinctiveness, then it's wrong. And I think the disco ball Spotify logo is wrong because that distinctiveness brings us back a memory of disco dancing. And to me, that pigeonholes your brand in an era. If you're a Gen Z who didn't grow up going to disco dancing, that disco ball is totally irrelevant.

SS And I think this is a point you bring through in the book. If you can understand what differentiates you, that key difference, that's where you attach the emotion. I think that's one of the key underlying themes in your book. Understand that point of difference, attach it to a specific emotion and then simplify your messaging and visual metaphors around that. Is that accurate?

JL Correct. Well, eliminate all the noise, right? I mean marketers try to tag too many messages to their brands. They try and it's the buckshot. We get briefed on a packaging project and we want to have these claims on the package. And here's the hierarchy of communication. We've got 12 levels of communication we want on the front panel. And oh, by the way, we understand that you've got all of that legal copy there - doesn't work. Consumers only remember three things. That's why we're able to remember the first three numbers of our postal code or email or whatever, but after the third digit, forget it.

And so we're asking our brain to remember things, to read things, that add to the complexity of the decision process. And so keeping it simple, singular in approach, focused on the most salient, relevant information. We're working on a major project right now. When we got this laundry list and we had done research, we go, here's the most salient point why the consumer is buying this product category, the salient point. It's number 12 of 14 on your list, but it's the number one thing. So we said, forget your hierarchy. This is the hierarchy we're going to use because it's the one that's relevant to how consumers buy your brand. It's not how you think they buy your brand. This is how they buy your brand. *[45.21]*

SS Well, let's go back to your banking example. So I'm a lifelong customer of CIBC. I worked there at one point. And so, I've stuck with them ever since. And virtually I do all my business with them. But really, ask me how I would differentiate CIBC from any of the other choices, and really, I would kind of struggle with that one. What do you do in a circumstance like that where there's no clear differentiating factor? And you mentioned TD, which is interesting because, I associate green with TD, the armchair with TD. Presumably that's the outcome of your work. But again, go back to a commoditized category where every institution, every competitor just basically seems the same. What do you do in that circumstance?

JL Well, first of all, every category is like that. It's not just banks, take detergent, cereals, you name the, just give me a category, I'll say they've all commoditized. Even AI is commoditized now, like, really, what's the difference between Perplexity and Claude AI and whatever the other ones are, so it comes back to this idea of being singular in your approach, in your messaging.

The challenge with the banks is other than TD, they've been very, TD has been very singular in their messaging. They own comfort, they've been promoting comfort and the Green Chair, the visual metaphor, visual representation of comfort for 25 years. They stayed singular and focused. That's why more human is a big step for them because … and hopefully they stick to it. But, if you go back CIBC, how many campaigns have they had? What was their … they've changed their tagline probably five times, right? They've changed … they just finished changing their corporate identity program to a totally different look other than, I think, the initials.

And so it's about owning an emotion, driving all of your brand messaging, all of those moments of truth, those touch points, consistently, coherently, on that message. Because it takes forever to get across. With all the complexity and the noise that's out there and the messaging. I can't remember what the number was … 17,000 advertising messages we receive on a daily basis. Our mind just blocks them out or we'd be going cuckoo. So, being singular and then driving that message consistently.

SS We're all suffering from information overload. We haven't mentioned the word measurement once. So I'm going to bring it up because it's rather critical. And you use the term emotional equity, which is a good one. Let's stick with that. How do you actually measure emotional equity though? And how does that differ from, say, brand equity?

JL Emotional equity is the emotion that you own that is very relevant to your consumers. And you measure that with tools like Hotspex, and there's other tools out there, there's other companies that now do that. Because, as the importance of emotional connections keeps on rising, because companies are realizing that competing on price and product features is not going to get them to the Holy Grail. More tools are coming out.

So it's identifying and measuring and going beyond NPS scores. NPS scores - I'm not a big believer in NPS scores. I think it's total hogwash. It's something the industry grabbed on to because we can all measure the same. It's all hogwash. I don't believe at all that someone who rates you a 10 for NPS score - would you recommend us to your friend? - because it's not measurable from a standpoint of action - it's retrospective.

So here's what I like to measure if I really want to measure. Did that individual, and this is a big study we did for the restaurant industry on the true definition of NPS scores: Did that individual share on their social media a positive moment with your brand? Did they share a positive moment with your brand? And how many of your customers have done that? That's the true indication of NPS score because it's tied to action. It's not tied to a questionnaire where you have a slider and you put it on that number. No, it's based on action by individuals staking a claim on the relationship they have with their brand.

SS Is that social sentiment that you're talking about? *[50.0]*

JL Yes, that's one of them, social sentiment. And the beauty is now with AI you can actually measure … you can do sentiment analysis in the blogs they do. You can search, you can do an analysis of what are the key emotional words. We actually use that tool in our Think Blink AI assessment. One of the things that AI looks for is how many mentions, positive mentions, and that's employees on Glassdoor and all of those employee platforms. It's social media, all of the social media platforms. And there's quite a few of them now, and it looks for how many mentions, what kind of mentions, and that clusters into, how do these words align to, I think we have 12 emotional territories that we have in our analysis: where do they map out in our emotional analysis? And this is not using Hotspex' s model or somebody else's. This is creating our own model based on our experience. And it really tells you kind of the heat map, the heat, the log level, and what love word do they have of you?

SS But I wonder if we're, if it's a bit of mix and match here. I'm wondering if there's two sides to this equation. There's how people feel about a brand. Although I can feel something about a brand, even though I may not be a user of that brand simply because it's ubiquitous, it's immersive with its advertising, et cetera. And then there's the brand loyalty question, which is really, do I feel strongly enough about this brand that be truly committed to buying it under any circumstances. Did you make a differentiation between those two things? I mean, I just think about the whole traditional world of brand measurement, which is things like brand favourability, top of mind, purchase intent, et cetera. Are there not, is it not a multi dimensional measurement here? Composite measurement?

JL Yeah, absolutely. What I'm not proposing is that you walk away from the metrics, the fundamental metrics of the industry. What I'm saying is there's a gap in those metrics where we're not truly evaluating the emotional equities of your brand. Or at least not all … the very successful brands are. And they're putting as much rigor on the conventional intent to purchase, basket size, frequency, all of those things are important. But if you then say, okay, that's great, let's weigh those statistics, let's weigh those measurements.

If I said to you 80% of all buying decisions are emotional, where would you weigh your statistics? Right now they're all weighed on the functional side. They're not weighed on the emotional sides. I'd say even if … I'd be happy if they just got to 50 right now - it's zero on most brands, or maybe 5 or 10%. So it's finding that mix and then putting more emphasis on understanding how are you making your customers feel about your brand? How does the Tide customer feel about the brand? I can tell you right now, the Tide customer would probably be very clear on how that brand makes them feel.

SS Yeah, no, totally. I just think that as marketers we tend to fall back on our own jargon, which is why we have difficulty explaining our success to the board. I want to move on to one final area in the short time we have remaining here. And you've brought up AI a few times here. I think the consensus right now is AI is going to disrupt brand discovery and the risk is that brands become invisible because you've got this intermediary curator determining which brands you should actually be considering. Where do you think this is going and how do brands avoid that possibility of becoming invisible?

JL So here's how AI searches and makes decisions. If you ask a query, what should I buy, Nike versus Adidas running shoe? It doesn't go to the manufacturer's website, it'll go to Wikipedia. That's the number one place because that's the learning models that all of those platforms used to start off with was Wikipedia. That's where they got a lot of their learning models established, but still is one of the places to go. It goes to TikTok, goes to LinkedIn, it goes to all the social media platforms, goes to the news - it does not go to the retailer's website or to the manufacturer's website. And so the old way of marketing was get the consumer to the website.

So SEO optimization, spend Google Ads, which by the way don't work anymore, spend money on social media platforms because consumers are going there. Now the model is no, you keep your website, but you better be really visible and active on where AI looks because that's what AI is looking for when making a recommendation. It's doing what our AI model is doing when we do the ThinkBlink assessment. How many people rated this shoe as a great shoe? How many people complained about it? What words come out of the customer's mouth in the verbatims? How do they cluster in a group? That's what it does. And then it gives you a recommendation analysis, which by the way, there's a big study that just came out on AI hallucination. The reality is AI does hallucinate. It does not give you … you got to be careful on what it gives you because especially on more complex … like, what running shoe I would want to buy, it's probably very accurate. But if you're asking it to do a trade off analysis on some tables you have, I'd be very careful. *[55.47]*

SS Well, let's talk about in the short time remaining here, what impact AI is having on your industry. And I think you mentioned at one point that at the low end of the graphic design scale, for the small business owner, they may be able to get away with using AI to support their particular needs. But how is it affecting your business? How is it affecting the design industry as a whole? And I guess the other question is, how are you using it today to help or augment what you do?

JL We use it to solve repetitive tasks. So meeting minutes, contact reports, meeting minutes, they're laborious. There's probably for an account side, they're probably the most laborious exercise that they do that in estimating. And so now you audio record the session, it gives you a full report, structured the way you want it, of that meeting. And it's done in two minutes, right? What would take you an hour, an hour and a half now is done in two minutes.

So it frees up the account team to focus on building a relationship with a client, not doing a lot of paperwork. It helps streamline our processes from an accounting standpoint, from a project management standpoint. We have a proprietary project management software program we developed called Team Client that's still ahead of the industry by probably 20 years. And now we're using AI to kind of give us unique dashboards on performance. We're just launching that now. AI in Photoshop helps us kind of fill in the frames, replace the backgrounds, some quick change things that would take us hours, that bring little value, are now happening in minutes. And so we're spending our time being designers designing versus spending our time photoshopping that package in the background.

SS Is it being used at all to support brainstorming, ideation?

JL Absolutely. On the strategy side, it does all that. So different themes helps us, because we're all biased. So we're all kind of held to our own kind of perceived solutions. And what AI does, it opens the whole floodgate on options that you may never have considered. And so, I think that those are brainstorming naming conventions and things like that is fantastic. Doing research on competitors. Great tool. You can do a competitive analysis. It could be done in minutes versus weeks. You still need humans to review and amplify, it can't, you could never take what it does and just give it to a client. That'd be disastrous.

Now let's flip to the negative side of AI. Alright. Because there's a negative side. There's always a positive, negative side of things. And that is clients are coming to us with, I created this package, now could you execute it? Not a good thing, because there's now there's a creative attachment. They created it. It could be a piece of crap, right? Or it could be off strategy. But because they created it, there's a sense of ownership, there's a challenge there. And so we're spending time now developing processes to educate clients. When they present us stuff, does it meet then - thank God we have the "Blink Factor" in the tenets because now we evaluate those ideas against the tenets and often we'll say it scored very poorly on the tenets, right? This is not a solution that's going to do well in the marketplace. And so we have a filter that protects us from … and sometimes the idea is brilliant, we just build on it. But very seldom does that happen because AI isn't thinking about strategy, it's not thinking about human behavior. It's being query driven, precedented, which is not always breakthrough ideas. *[59.36]*

SS Yeah, you still have to own the creativity, empathy, imagination part.

JL Exactly.

SS So one final question. You're a member of the Association of Professional Futurists which … that sounds like a fun group to be part of. How do you see with your futurist hat on, how do you see brand management evolving over the next few years? We've been talking about AI. Obviously that is going to influence everything. We're going to be living in an AI first world. How is brand management – and I realize this is a tough question because who knows – but as a futurist, you must have some ideas around how this might go. What are your thoughts around this?

JL My thoughts are brand management is going to change dramatically. There's going to be a bigger divide in the compliance side of brand management versus the creative side of brand management. There's going to be a bigger divide. And the divide is AI is going to own the compliance side because it evaluate, is the tone of this copy aligned with the brand equities? Does it link … have we bastardized the equity of our identity? Is it being misused? And so are there any legal implications to what we're doing, right? And so it'll be able to filter those things and have a brand voice that is consistent and coherent and that's fantastic because, in brand management, those brand managers change every year. So you don't have … you have a lack of consistency because your opinion, you do it this way this year and then there's something new coming in next year and it's a different story. So AI is going to be able to keep that.

So on the flip side, where the human plays an important role is, they're going to be a lot more creative, they're going to have a lot more license, they're going to have tools that provide that creativity. So the idea of, where a lot of time spent in brand management is what I'll call idea iteration. Well, we like this idea, but give me two or three options of how that idea comes to life. AI is going to be able to do that in minutes, not weeks. And so you're seeing a huge push and development on platforms that create commercials, that create, not the final commercial, but create storyboards and visual representations that are almost real of that idea, right? And so they're saving time. So iteration, where agencies make a lot of money, is going to go away. That's not where they're going to make their revenue. They're going to make their revenue by coming out with a brilliant idea and then demonstrating how it gets iterated in these different ways.

SS Yeah, being able to cut through the AI slop and immense content clutter that's about to engulf us in content. Well, I really appreciate the time today, Jean-Pierre. You've obviously built a terrific agency. Done exceptionally well. And the book's a great read. So I really particularly … because it's quite panoramic, right? It covers a lot of bases that traditionally you would not associate with a brand design strategy. And as I mentioned earlier, I think you're the first person to appear on this podcast that can actually speak to the concept, the importance of a brand design strategy. So really appreciate the conversation today.

JL Well, thank you very much. Bye now.

That concludes my interview with Jean-Pierre Lacroix. As we learned, the key to success in any brand transformation is to figure out what it will take to win the hearts of customers. Every visual asset, from packaging to signage to collateral to digital ads, must ladder up to the one emotional word a brand needs to own. Uncovering that emotion demands a strategic approach to understanding the marketplace, the drivers of consumer behaviour, the competitive landscape, and the optimal positioning of the brand. All of the design elements – colour, typography, imagery, sound – must be consistent across all assets. They must work in harmony to build emotional equity over time, the way that Coca Cola, Nike, Apple, McDonalds, Tide - really, any of the world's most recognized brands - have succeeded in doing, their identities clearly defined. Everybody gets what they do – what they're best at. And they tell their story simply, making an emotional impact that moves people. None of this is easy. It takes knowing where the brand intersects with people's emotions and what moves them. And that takes empathy. It takes insight. It takes creative artistry. And it takes an appreciation for how the human mind works.

1. Savage Sloan was a prominent Canadian graphic design and branding agency best known for creating the original Toronto Blue Jays logo.
2. The Savage Sloan co-founder David Savage passed away in 2014.
3. Brian Cahill was a Canadian ad executive who served as Senior Vice President and Managing Director for McCann-Erickson.
4. "Blink: The Power of Thinking Without Thinking" by Malcolm Gladwell was published in 2005 and explores how the human subconscious works and makes snap judgments "in the blink of an eye".
5. CompUSA was an American "superstore" retailer and reseller of personal computers, software, and consumer electronics which ceased operations in 2012.
6. The "Seven Tenets" is the core planning framework of the ThinkBlink Manifesto.
7. OfficeMax was an American big-box retailer and business-to-business supplier of office products, furniture, and technology that was eventually acquired by rival Office Depot in 2013.
8. Hotspex is a global market research consultancy led by CEO Shane Skillen which uses behavioral science and emotional mapping to help companies understand consumer motivations.

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