



# Breaking The Brand to Stop The Demand

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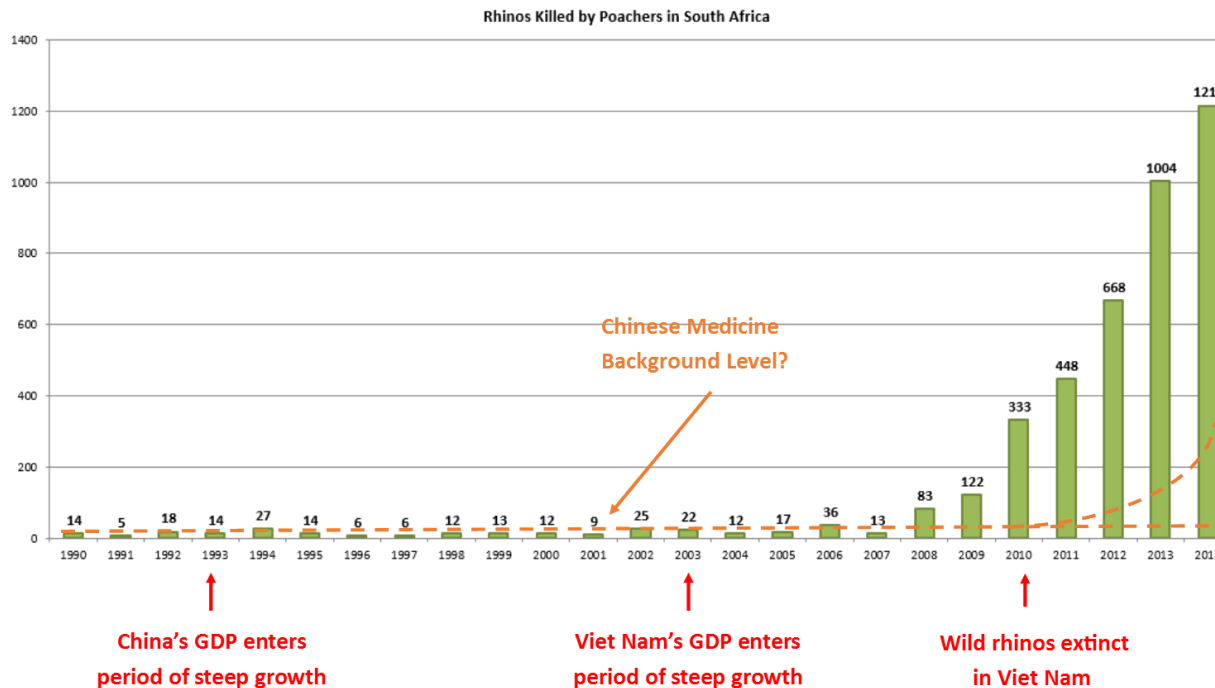
Managing Director, Leadership Mastery Pty Ltd

**The objective of Breaking The Brand is to use behavioural economics to influence the consumption of illegal/endangered wildlife products.**



Leadership Mastery  
Self-Awareness in Leadership

# Why did the market for rhino horn change?



- Low levels of poaching in South Africa for over 15 years
- In 1993 China's GDP enters period of steep growth
- In 2003 Viet Nam enters period of steep growth
- What happened since 2007?
- TRAFFIC 2012 Report and other research indicates rhino poaching driven by exponential growth in demand primarily from Viet Nam



## The Market Context and The Customers

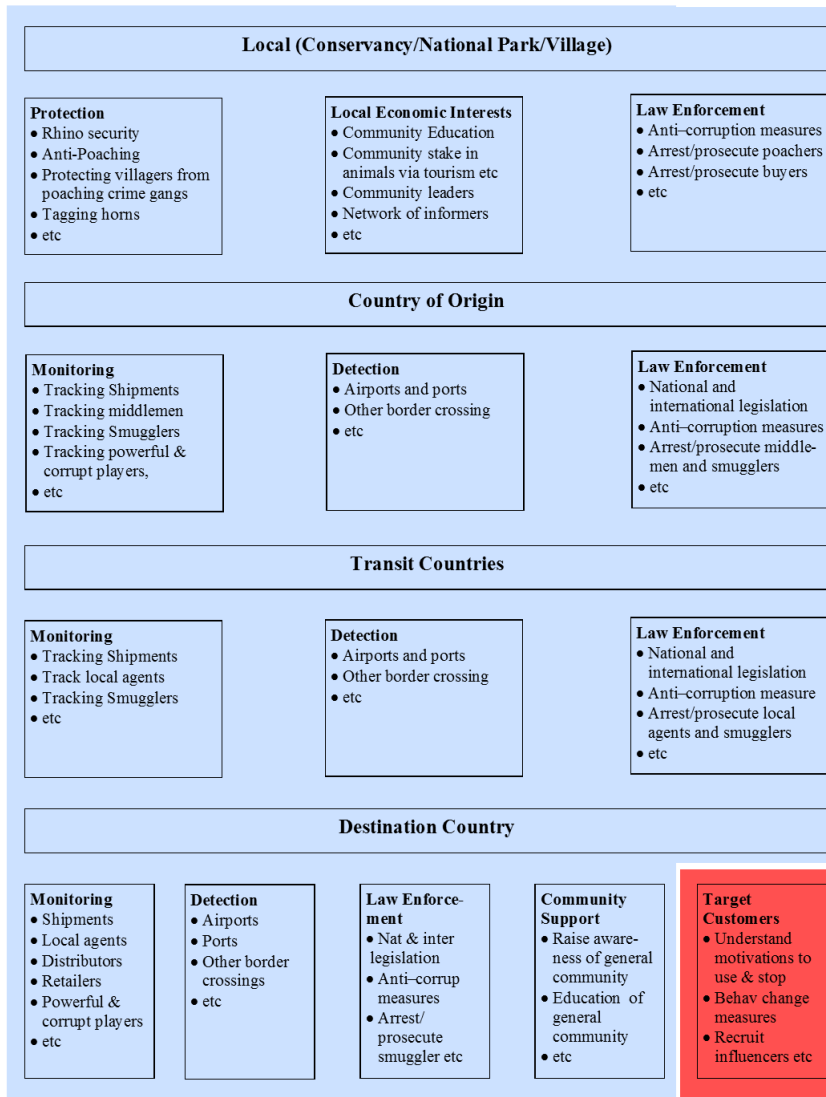
- 70% of the population of Viet Nam is under 35 years.
- Fast growing market for luxury goods and brands.
- Aspirational and status conscious.
- High inequality, small percentage of extremely wealthy.
- Rhino horn is status symbol.
- >90% of rhino horn purchased is fake.
- Supply cannot keep up with rising demand.
- Rising prices turn rhino horn into an investment / store of value.
- Can protection and law enforcement alone stop rhino poaching?

# Massive Response – Tackles symptoms not the cause



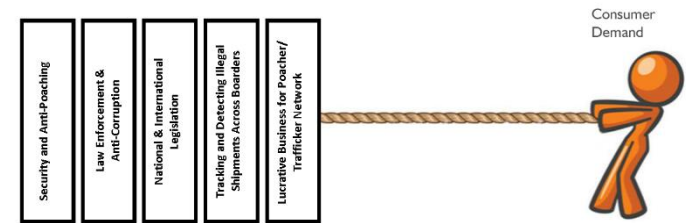
- Military style protection measures enacted
- 24/7 rhino guards
- Massive increase in awareness-raising
- Global interest has reached the level of Heads of State
- Massive translocation of rhinos to more secure locations
- Dehorning in widespread use, infusion has been trialed
- Poaching continues to grow exponentially
- Combined response as yet ineffective

## Complexity: The Protection—Supply—Demand Chain



# Return on Investment

Security Measures are recurring, huge expenses (vast land areas to protect). Complex supply chain and high value of horn mean law enforcement expensive and corruption limits effectiveness



Consumption motivation and pattern means demand reduction is possible. Very small customer group, clear motivation for use.





# Primary User 1



Only 2 motivators to stop using:

- Negative impact on personal status as a result of using/giving rhino horn.
- Negative impact on health from using rhino horn.

“I trust my South African Supply Chain”

# High Status Males

- Senior Businessmen/Finance Professionals/ Government Officials.
- Group values rarity and expense rather than perceived medical properties.
- Acquiring rare produce associated with money, power and skill.
- Rhino horn gift used to demonstrate respect and competence when negotiating deals.
- Gifts used to influence and obtain preferential treatment from those in positions of power.
- Historically people have developed an interdependent self-concept vs. independent self-concept and, as a result, you can't put personal preferences before group objective – loss of face - peer group pressure

## Primary User 2



Primary motivator to stop using:

- Negative impact on family health from using rhino horn.

“If my aging parent or parent-in-law asks me to buy rhino horn for them, culturally I can’t say no even if I don’t believe in it.”

“Being able to tell them that the horn is poisoned is the only way I feel I can push back on the request”

## Affluent Mothers

- Believe in fever-reducing qualities of rhino horn - in line with use in Chinese/Vietnamese medicine.
- Keep small quantities at home in case child gets a high fever.
- Also buy for aging parents.
- Relatively recent trend.
- Unclear if using fake vs. genuine rhino horn.
- A group heavily influenced by social media.
- Small individual quantities but large group size.
- Interested and aspire to celebrity mothers.
- Again very status conscious and aspirational.

# Why do they think rhino horn = status???

1



2



3



4



- Globally many people say they can't relate to the motivation to consume 'ground up finger nails'
- **Are we so different?**
- Why do people believe a Louis Vuitton handbag = status???
- Fake bag = \$200
- Real bag = \$2,000+
- Same bag! Same material!
- Difference: STATUS SYMBOL
- Status symbols are a social agreement, which can be changed as values or even tastes evolve

Can YOU tell the difference?



# World's Most Expensive Dessert US\$35,000



# Influencing Consumption



- Private sector has accumulated massive expertise in influencing consumption – marketing, advertising, social psychology, behavioural economics, neuroscience
- Applies to all goods from fast food to luxury cars

Key strategies that apply to rhino horn are:

1. Status Anxiety (peer pressure, keeping up)
2. Fear of death/loss of loved one (miracle cancer cure)
3. Personal health anxiety (chi, detox drink)
4. Loss Aversion (investment, store of value)

# Analysis: Future Trends



The  
Luxe  
Stops  
Here

*When it comes to lifestyle products and high-end fashion, consumer taste is changing around the world. And luxury labels are responding to it. Here's how.*

WORDS NICOLE HOGAN  
ILLUSTRATIONS CASSANDRE MONTORIAL

**N**ot too long ago, wearing logo-laden T-shirts was de rigueur, but the way we distinguish and spend on luxury has changed of late. Recent

"As more people acquire wealth, the use of luxury brands to define one's social and financial position is becoming less and less relevant."

#### FEELING EXPOSED

"Luxury as a term has become bloated, overused and meaningless," agrees Rebecca Robins, co-author of the book *Meta-Luxury: Brands and the Culture of Excellence* and a marketing director at Interbrand. This sentiment was echoed at the 2013 FT Business of Luxury Summit in Vienna. Speakers, including Ferragamo USA chairman Massimo Ferragamo and Moët Hennessy CEO Christophe Navarre, expressed concern about the dilution of luxury as an idea, a position and a product. In pursuit of exponential growth and brand awareness, accessibility to luxury has never been so broad — to the point where the word has lost its meaning.

"This becomes particularly acute when we consider a branded T-shirt produced in mass volumes is called 'luxury', while the same term is also used to talk about a one-of-a-kind creation that is handcrafted and hand-specified, bearing the signature of the craftsman," says Robins.

The designers who roll out diffusion lines like, well, they're going out of fashion, are the easiest ones to blame. "Diffusion lines create lower price points so those who can't afford the main line can still buy into the brand, a bit like



Luxury labels invest millions dollars to monitor customer evolution e.g. ostentatious evolving to more understated trend

# Analysis: Emerging Markets

**JAMES SCHLOEFFEL** Writer

BROWSE BY TOPIC BROWSE BY PUBLICATION CONTACT

← Street Theatre

What marketers can learn from spam →

## Generation Luxe: The new luxury consumers



**China**

**Male, 27**

**Lives in:** Shanghai

**Favourite brands:** Zegna, Dunhill, Ferragamo

**Holidays in:** Hong Kong, France, Australia

**Profession:** Corporate executive for a global company

**Earning:** \$75,000

**When he's not working he's ...** playing golf (at the Grand Shanghai International Golf & Country Club)

Within three years a fifth of all luxury goods will be bought by Chinese consumers; already [Louis Vuitton](#) has more stores in China than in France and Italy combined. Meet the new big shot in luxury consumption.

Young, successful and optimistic, the Chinese luxury connoisseur wasn't even born when Deng Xiaoping began opening up China to global markets, kick-starting three decades of growth. They're sophisticated, live for the now and are becoming more comfortable treating themselves and showing off their wealth.

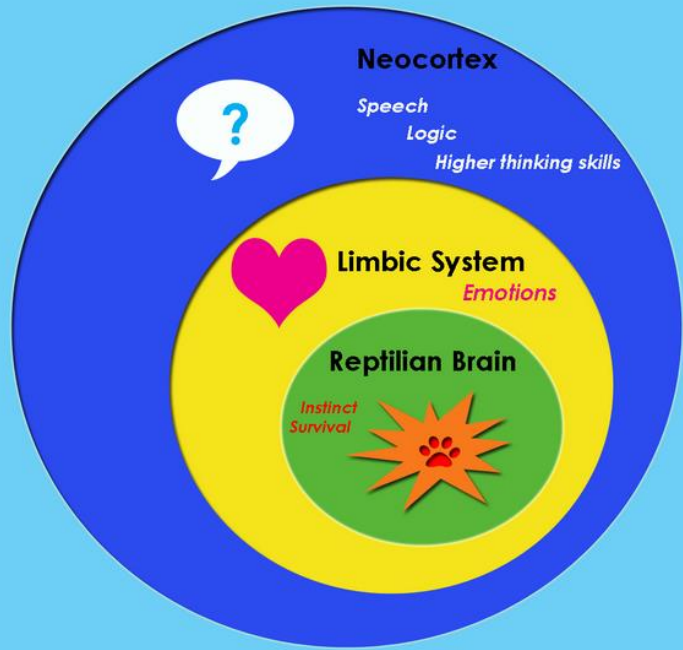
Not that all Chinese luxury consumers have cash to burn. According to Yuval Atsmon from McKinsey's Shanghai office, many in China's aspirational middle class will save up to buy luxury items, spending up to 45% of their income. "It's not uncommon to hear stories of people who buy RMB1 million (\$150,000) cars and sleep on the floor of their office".

Researching and understanding the local culture is essential to gaining a foothold in the luxury market (most international brands now have Chinese-specific product lines) as is embracing the internet. McKinsey's research showed that, apart from the store itself, the web is by far the most influential marketing medium.

- Traditional market research (see image)
- In addition - archetype research uses a unique blend of biology, cultural anthropology and psychology to discover the hidden cultural forces that pre-organize the way people behave toward a product, service or concept.
- Unlocks unconscious structures that hold the key to all of our decision-making processes.

# The Triune Brain Model

## The Triune Brain Model



Chun-Hori 2007

Status Anxiety / Loss Aversion – **Limbic**  
Fear of Death / Health Anxiety – **Reptilian**

- The way we rationalize our decisions does not reflect how we make them - the reptilian brain is a much more powerful influence
- Neocortex mostly just rationalises decisions made by the reptilian and limbic system.
- Because these **drivers remain unconscious**, they can be skilfully exploited in marketing and advertising.



# Spiral Dynamics – Values and Behaviour Change Model

<b>Turquoise</b>	<b>Holistic</b>	Collective individualism; Cosmic Spirituality; Earth Changes
<b>Yellow</b>	<b>Integral</b>	Natural Systems; Self-principle; Multiple Realities; Knowledge
<b>Green</b>	<b>Consensus</b>	Egalitarian; Feelings; Sharing; Caring; Community
<b>Orange</b>	<b>Strategic</b>	Materialistic; Consumerism; Success; Image; Status; Growth; Winners and Losers
<b>Blue</b>	<b>Authority</b>	Meaning; Discipline; Traditions; Morality; Rules; Live for Later, Saints and Sinners
<b>Red</b>	<b>Egocentric</b>	Gratification; Glitz; Conquest; Action; Impulsive; Lives for Now , Heroes and Victims
<b>Purple</b>	<b>Animistic</b>	Rites; Rituals; Taboos; Superstitions; Tribes; Folk Ways and Lore
<b>Beige</b>	<b>Instinctive</b>	Food; Water; Procreation; Warmth; Protection; Stay Alive

Values drive beliefs

Beliefs drive behaviour

Australia:

~25% GREEN

~45% ORANGE

~20% BLUE

Viet Nam:

Dominantly Blue

Emerging Orange Middle Class

# Rhino Horn Users (ORANGE)



- Status Conscious and Status Anxiety
- Health Conscious and Health Anxiety
- Society in Viet Nam is in transition  
Confucian/Communist to  
Unregulated Capitalist
- Still different from Western Capitalism
  - Male dominated
  - Peer group oriented, not purely individualistic, can't lose face by standing against group
  - No/little cultural affinity with animals

## Result:

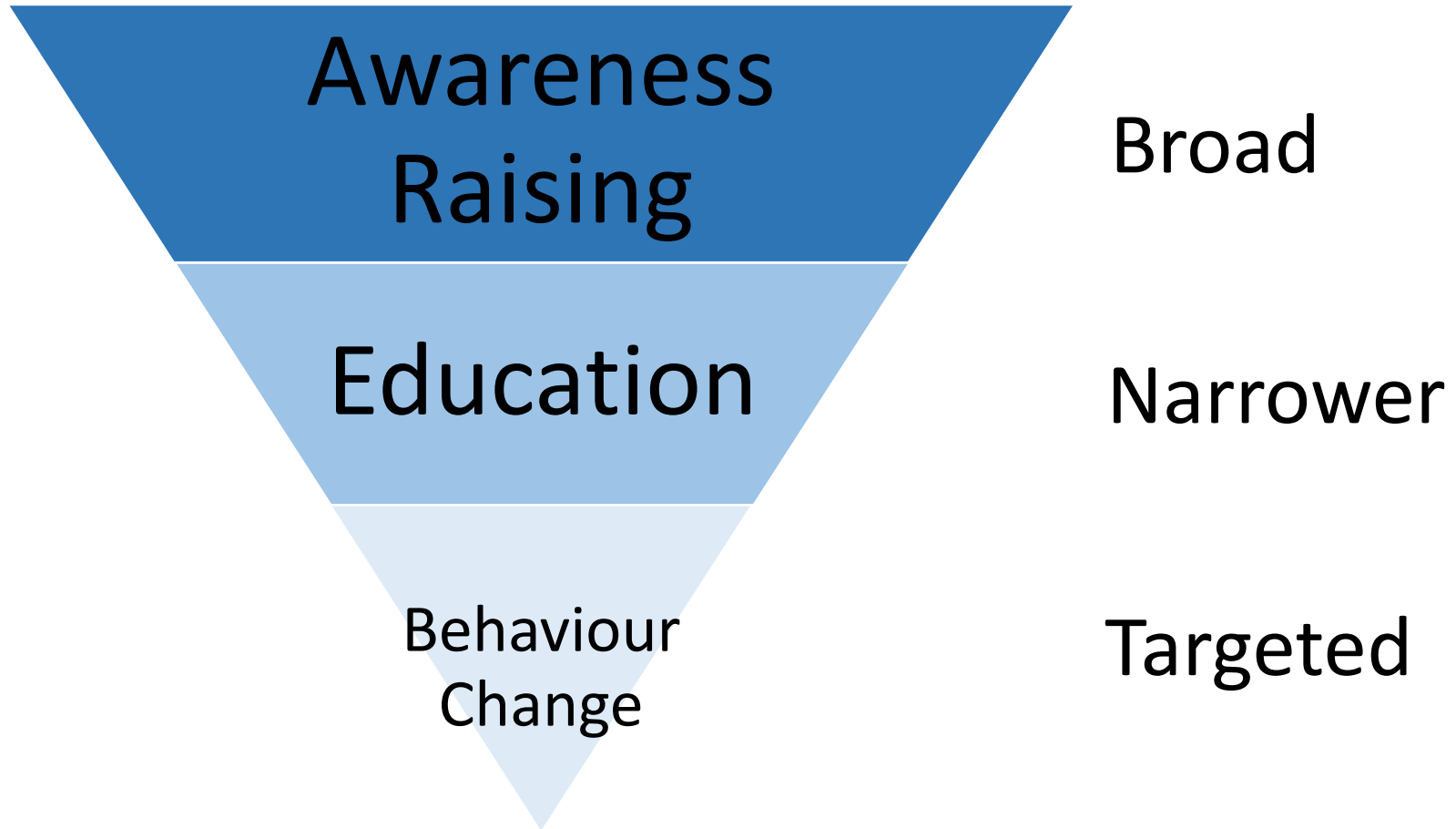
- Conservation messages are ignored if they are empathy/values based
- Law enforcement messages are largely ignored (75% fully aware of penalties)
- Can't go via wives/children – lack status to influence husband/parents
- Influencers - Only Business/Political heavyweights (Bill Gates, Warren Buffet, Richard Branson, Bill Clinton – not entertainment/sports celebrities)

# Conservation Movement (GREEN)



- Based on GREEN values system (Empathy, Egalitarian, Caring)
  - Support base is GREEN
  - Donors are GREEN and donations are based on GREEN values
  - Hence:
    - Focus is on empathy with the animal
    - Appeal to 'higher' (GREEN) values
- 
- Can't relate to motivation of users (ORANGE) or poachers (RED, Beige)
  - Not prepared to single out the primary users for fear of being seen as racist
  - Not prepared to engage in strategies that may alienate (cause discomfort in) the support and donor base. Political Correctness emerged with GREEN
  - Result:
    - Money spent on strategies that don't impact/change the user behaviour

# Behaviour Change is Highly Targeted



# Behaviour Change Messages



- Get the target's attention by providing a link to their identity ('this is about people like me')
- Create an instant emotional response in the recipient
- Negative emotions are experienced 3-4 stronger than positive emotions
- FUD – Fear, Uncertainty, Doubt (Status anxiety, health anxiety)
- Our greatest fear is the fear of death



# Conservation Sector Does Not Understand Behaviour Change

## Appeal to Empathy



## Rational Argument



## Appeal to Higher Values



## None of these strategies

- Get the users attention
- Trigger an immediate emotional response in the user
- Change the consumption behaviour of the user

# But the sector is learning

## TRAFFIC 2013



## TRAFFIC 2014



### Spiral Dynamics – Values and Behaviour Change Model

Turquoise	Holistic	Collective individualism; Cosmic Spirituality; Earth Changes	Values drive beliefs
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2013 advert aligned with conservation industry values and donor values

2014 advert aligned with emerging values of users of rhino horn in Viet Nam

# Great Examples of Behaviour Change Campaigns



Figure 2. 'A Bird of Prey', *Punch*, 14th May 1892.



# Pilot Campaign (15<sup>th</sup> September 2014 ): Is it worth the risk?

**SO HE CAN GAIN FACE**

**HE LOSES FACE**

**FIRST SHE KILLED A MOTHER**

**THEN SHE POISONED HER SON**

The rhino horn you give to a potential business partner will not only kill a magnificent animal. It's quite possible it will poison him.

In both Africa and Asia they are serious about protecting rhinoceroses from extinction. So the horns are being injected with toxins such as organophosphates while on the live animal.

The poachers know this. If they illegally kill the animals and sell the horns to dealers in Viet Nam, they know they will poison anybody who consumes it.

The only way you will know if you have poisoned someone you want to impress with rhino horn is when they call the next day to say they have become very sick with nausea and diarrhoea.

It's not worth ruining a business relationship with poisoned rhino horn.

It's quite possible that the rhino horn you give to your sick child will poison him.

In both Africa and Asia they are serious about protecting rhinoceroses from extinction. So the horns are being injected with toxins such as organophosphates while on the live animal.

The poachers know this. If they illegally kill the animals and sell the horns to dealers in Viet Nam, they know they will poison anybody who consumes it.

The only way you will know if you have poisoned your child with rhino horn is when they become very sick with nausea and diarrhoea. These toxins can also have long-term effects on the central nervous system and on brain development.

Why take the risk of giving your child poisoned rhino horn?

## Series of 6 adverts – 3 targets:

- **Businessmen:** - Tarnish the act of giving rhino horn by making the giver and the act look desperate and needy.
- **Businessmen and Mothers:** Instil fear and doubt about the possible risk to their own or child's health
- **International Corporations:** To raise fear of reputational risk of staff caught receiving rhino horn as gift.

## Advert uses:

- **Rhino horn infusion:**

**Organophosphates: neurotoxin immediate impact nausea and diarrhoea, long term effects central nervous system, effects brain development, long-term low dosage cognitive problems**

- **Poachers know but don't care**

## Cost/Locations:

- 19 adverts over 2 months in business, women's magazines and two months in Heritage, Vietnamese Airline magazine.
- Commercial rates US\$30,000

# New Year (16<sup>th</sup> January 2015): Will your luck run out?

TO GIVE TO HIM

YOU TAKE FROM HER

DESTROYED ONE IN AFRICA

IT CAN DESTROY ANOTHER IN VIET NAM

More and more world leaders say that the survival of Africa's wildlife is intrinsically linked to its people's prosperity. The poaching of rhinos to feed businessmen's egos takes away valuable tourist dollars from local communities who depend on them.

But ruthless poachers don't just kill rhinos to fulfil your desire for horn. Every week they also kill two or more rangers who are working to protect these animals. The rangers' wives become widows, their children fatherless; families lose their income and their children's education is disrupted.

Furthermore you could be poisoning yourself and those you give it to. Horns are being infused with toxins that will cause suffering to anybody who consumes it.

By using rhino horn you are taking away the livelihoods of families in Africa; you may be unlucky enough to negatively impact your own.

The rhino horn you give to sick, aging parents or as a health supplement for your children could poison them.

In both Africa and Asia they are serious about protecting rhinoceroses from extinction so their horns are being infused with toxins while on the live animal.

It doesn't affect the animal, but will bring pain and suffering to anybody who consumes rhino horn. Organophosphates are neurotoxins that will cause nausea and diarrhoea; ectoparasiticides can increase the risk of certain cancers; some horn is also infused with radioactive tracers.

So if you wish to bring good health to your family for the coming year, rhino horn is not the way to do it.

**AWHO** | Using rhino horn may cause your luck to run out.

**AWHO** | Using rhino horn may cause your luck to run out.

## Series of 4 adverts – 3 targets:

- **Businessmen:** - Tarnish the act of giving rhino horn to business network for LNY.
- **Businessmen and Mothers:** Instil fear and doubt about the possible risk to their own or child's health

## Advert uses:

- **Superstition around LNY**
- **Rhino horn infusion:**
- **Organophosphates (neurotoxin - central nervous system, brain development, cognitive problems)**
- **Ectoparasiticides (linked to increased risk of certain cancers) and radioactive tracers**
- **Poachers know but don't care**
- **Users can't dissociate themselves from ranger deaths and family loss**
- **Rejection by high status group**

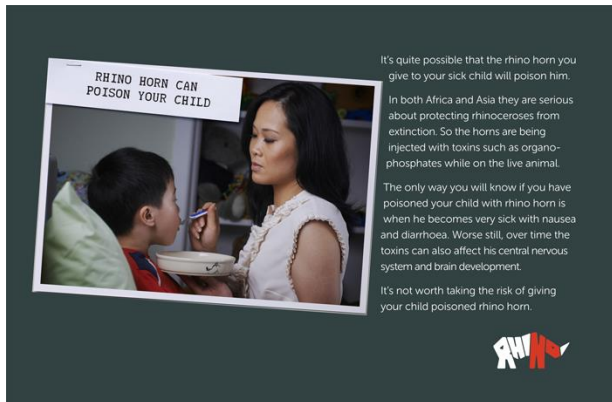
## Cost/Locations:

- 11 adverts over 5 weeks, leading up to LNY 19<sup>th</sup> February 2015, in business, women's magazines and one month in Heritage, Vietnamese Airline magazine.
- Commercial rates US\$20,000



# Initial Campaign Response

## One important experience



In a conversation with one businessman in Hanoi he told me about a friend whose child has cancer. She had bought rhino horn. This businessman had seen the adverts and told her about them. The fear of giving her child poisoned rhino horn meant that when she finished using the piece she had she said she wouldn't buy any more.

- Great feedback from Viet Nam in relation to messaging, images and approach
- Viet Nam jumps to third top country downloading information from our website
- Ho Chi Minh City and Hanoi become second and third cities following us on Facebook
- In TV and newspaper interviews, questions focus on rhino horn poisoning and wanting to know more
- WildAct Vietnam followed up with related campaign and TV interview
- No quantitative research due to lack of funds and ability to do targeted feedback

# 2015 Campaign Goals



- Raise funds to run continuous campaigns in 2015 — mainly Hanoi and Ho Chi Minh City including airports, business publications, golf and fitness clubs and TV.
- Target the right publications for businessmen and affluent mothers – examples shown.
- Separate sponsorship is sought to place adverts in locations with large Vietnamese expat community: Melbourne, Sydney, Vancouver, LA.
- Combined approach with massive increase in horn infusion in South Africa
- Response to the adverts will be measured via: Mainstream media and social media coverage, Development of survey targeting primary users with promise of anonymity.

For \$30K we can place two continuous months of full or half page adverts in ALL these publications.



**Title:** Saigon Business  
**Weekend Target:** Businessmen  
**Circ:** 30,000  
**Issued:** Weekly



**Title:** Investment Bridge  
**Target:** Businessmen  
**Circ:** 65,000  
**Issued:** Weekly



**Title:** Heritage  
**Target:** Businessmen & Vietnam Airlines  
**Circ:** 175,000  
**Issued:** Monthly



**Title:** Shopping & Family  
**Target:** Best-selling women's mag  
**Circ:** 100,000  
**Issued:** Weekly



**Title:** Capital Security  
**Target:** All, skewed to male  
**Circ:** 75,000  
**Issued:** Daily



Vancouver, Canada



Sydney, Australia

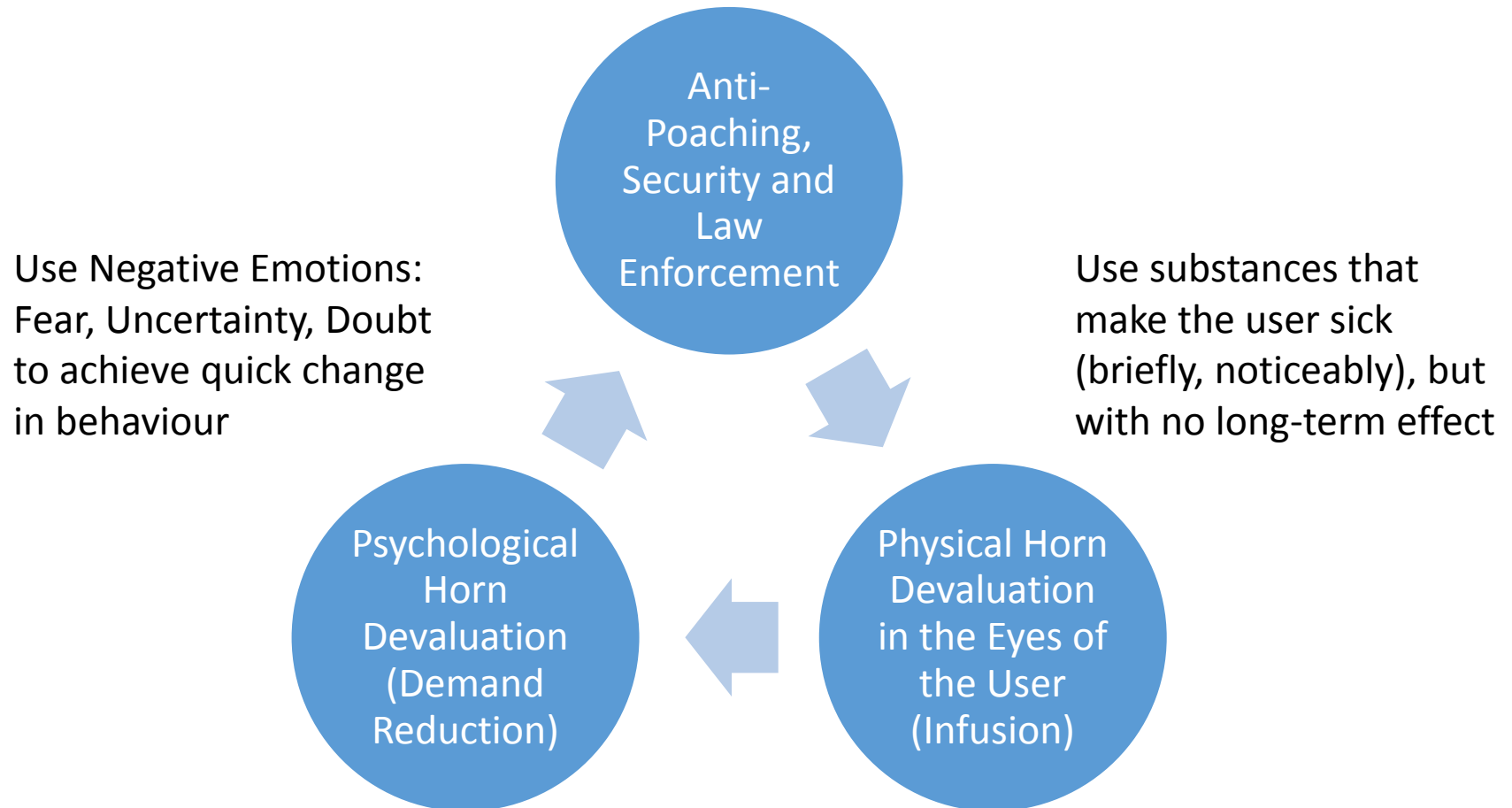


Melbourne, Australia



LA, USA

# Best Short-Term Strategy to Stop Demand Growth



# The Effects of Demand Growth

## Rising Demand / Prices

- Spiralling costs of security and law enforcement measures
- Massive profits in supply chain justify any level of investment and loss of human life
- Rhino horn attractive to wealthy simply as store of value / investment
- Reinforces use as status symbol
- **Extinction is a POSITIVE** – prevents prices from falling in the future!!!

## Falling Demand / Prices

- Undermines both use as an investment and as a status symbol
- Leads to de-escalation of investment in supply chain and anti-poaching and security measures
- Any fashion trend that led to exponential growth is usually followed by a fast collapse in prices and demand
- Means users will look for substitute products – need to prepare for/encourage this.

# Opportunities to Engage Private Sector

Examples only, not comprehensive list



# Utilise Expertise in Advertising / Marketing



- Detailed understanding of building and marketing luxury brands and products.
- In-depth knowledge of customer profiling and uncovering true motivation to consume.
- 100 years experience in finding the right messages to get people to buy.
- The language of advertising can be used to convey fear / anxiety based messages.
- Can be used for all illegal wildlife products that are not only an investment/store of value.

# Enlist Help of Multinational Companies



GIVENCHY



Audi



LOUIS VUITTON



EST. 1941

NEW YORK



BURBERRY  
ESTABLISHED 1856



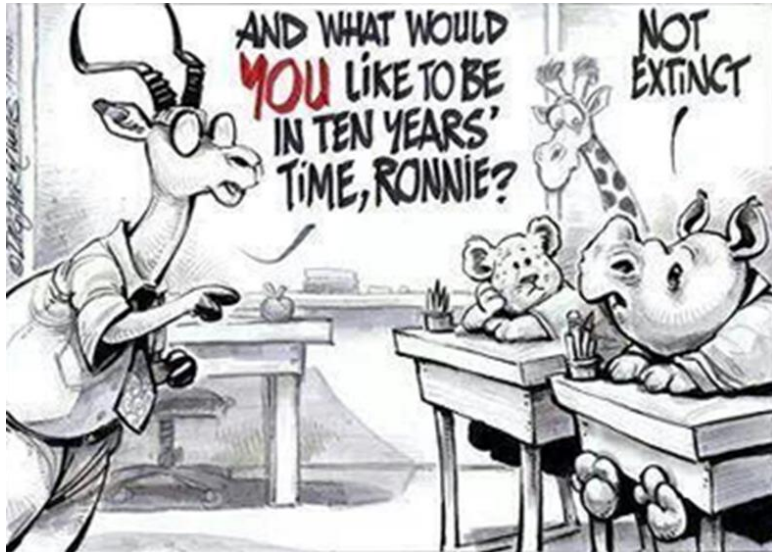
Mercedes-Benz

- Rhino Horn messages linked to luxury brand consumption.
- Target the identity of the users – *'Bentleigh drivers gain status from their car and don't need rhino horn'*
- Educational messages in foyers and common areas of company offices will help change become sustainable (example ENV).
- Staff code of conduct to include instant dismissal clause on acceptance, handling or use of rhino horn.
- Local CEOs to make public stance against use of rhino horn.

# Engage A-List Business/Political Celebrities



- Primary users interested in and follow international business and political celebrities; names they mentioned included Barack Obama, Richard Branson, Bill Gates.
- Have them talk to the users, not the public in general.
- Businessmen users were not interested in other high status males in Viet Nam or entertainment celebrities.
- Users will leave their current prestigious group if they are invited to join another more prestigious group ( e.g. The World Rhino Custodians).
- Their behaviour in relation to rhino horn will change according to the new group identity.



**RHINO**

[www.breakingthebrand.org](http://www.breakingthebrand.org)

## Summary

- Rhino poaching cannot be solved by security and law-enforcement measures alone.
- Exponential demand growth makes it impossible to win on the supply side (including trade legalization).
- Demand reduction can work with the right messaging and targeting (and is MUCH CHEAPER).
- Create Fear/Uncertainty/ Doubt in the minds of the users about safety of rhino horn products and their supply chain.
- Create fear of reputational risk for individual users targeting their status anxiety.
- Create fear of reputational risk for international corporations if staff are found to be accepting rhino horn gifts.
- Conservation agencies need to create true demand reduction/ behaviour change campaigns targeting the users.
- Conservation agencies distinguish between demand reduction vs. education vs. awareness raising and educate donors
- Engage the private sector for support and expertise.
- Enlist business/political celebrities for support.