

Brands, Truthiness and Post-Fact: Managing Brands in a Post-Rational World

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Abstract

In the past US election cycle, and mirrored by similar events in Europe, two trends have come to dominate social discourse: *truthiness* (the validity of something based on how it feels) and *post-fact* (taking a position that ignores facts). Human discourse has always contained elements of these, but the nature of the Internet and social media has pushed truthiness and post-facts to new levels. The purpose of this paper is to explore the complicated relationship brands have with fake news and discuss the implications for brand management of a post-truth world. We explore the complicated relationship brands have with fake news: Brands both fuel fake news and are burned by it. Next, we turn to the intellectual and instrumental roots of the post-truth world: postmodernism and its technological enablers, show how marketing became a purveyor of the postmodern worldview, and how brands have increasingly adopted truthiness and post-fact positions. We offer managers a way out of the postmodern cul-de-sac, discussing ways brands can be rethought and managed in a post-rational world.

Keywords

brand management, fake news, brand stories, brand duplicity, truthiness, post-fact, post-rational world

Truthiness and Post-fact

Hillary is . . . dead! Trump is . . . awesome! Europe is . . . lost! America is . . . doomed! These are the answers that one gets if one types in “X is . . .” in the de facto Internet search engine Google. Welcome to the truthiness, post-fact world. A world in which the validity of something is based on how it feels (truthiness) and the world is what you wish it: regardless of objective, verifiable statements about the world (post-fact). The term “Truthiness” was first coined by the American comedian Stephen Colbert, Oct 17, 2015 on the *Colbert Report*. We use the term “post-fact” rather than the more common “post-truth” to differentiate it from “truthiness”. The notion of post-truth was introduced in a 1992 essay by the playwright Steve Tesich published in *The Nation*. It became the Oxford English Dictionary’s word of 2016. Welcome too, to the world of the post-rational.

But what has this to do with brands and brand risk? Well, Hillary, Trump, America and Europe are all brands. And precisely the same slippery, post-fact truthiness is becoming the bane of more prosaic brands. A simple search on Google reveals that Nestle is . . . ‘evil’, that Truvia is ‘bad for you’, that Volkswagen is . . . ‘going out of business’, Apple is . . . ‘dying’ and ironically, that Google is . . . ‘making us stupid’! More widely it has been reported that Lamborghini has been faking their cars’ Nürburgring lap times, and that Ferrari is tacitly condoning the clocking of its cars (resetting the odometer, so that a car’s mileage reading appears lower than is the case). Tesla and SpaceX are supposedly squandering billions of

dollars of taxpayers’ money. All of these stories are fake, but it takes time and effort to do due diligence and fact-check these stories featuring prominently on platforms such as Facebook, Flipboard, and top-listed by major search engines.

We use the term ‘fake news’ in its widest sense. Fake news can take the form of fake stories, fake pictures, fake reviews, and fake polls. Thus, fake news might be better and more simply termed *false information*. Fake news is nothing new. It has been around since humans began to talk and to deceive each other intentionally, whether for malice or amusement. However, in the recent past, two things have changed: first, the scale of the problem has grown exponentially; and second, the ‘echo chamber’ of positive feedback loops craves and fuels the spread of fake news. Both are technologically enabled by the Internet, and biologically driven by human, inbuilt cognitive biases.

In this article, we explore the phenomena of truthiness and post-fact with respect to brands. First, we unearth the intellectual roots of the post-rational. Second, we explore marketing’s

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role in the enablement of the post-rational. Third, we offer managers suggestions on how to view and manage brands in a post-rational world.

Fake News and Brands

Brands are implicated with fake news in a number of important ways. They can be the targets of fake news. They can lend validity to spurious stories, and the association with stories that are subsequently proven false can, in turn, tarnish or contaminate them. Finally, brands, in many instances, fund fake news. These are discussed in turn.

First, there can be fake news about a brand. For example, Pepsi stock fell by almost 4% just prior to the 2016 US presidential election when a fake news story about Pepsi's CEO Indra Nooyi telling Trump supporters to "take their business elsewhere" went viral. Earlier in 2016, Apple customers went into a panic when a fake blog post claimed that Apple was deleting entire music collections when customers signed up to Apple Music. The story slowed the adoption of the new service.

Second, when brand adverts appear next to fake news they seem to validate or condone the bogus content. For example, if an unsuspecting viewer comes across a story that sounds suspect, they are more likely to believe the story when the content is being sponsored by a well-known and trusted brand. Thus, consumers reading of an apparent affair between Yoko Ono and Hillary Clinton were reassured about the validity of the story as Ram Trucks, made by Fiat Chrysler, prominently sponsored the page (Kirkpatrick 2016). This problem arises because advertisers are drawn to popular sites and stories – they want to extend their reach. However, consumers can mistake sponsorship for validation of content. This is exacerbated when fake news outperforms real news in popularity – as was the case of stories on Facebook during the last US presidential election (Silverman 2016).

Third, if a story is discovered to be a fake, brands risk being contaminated by association. This was the case when Kellogg Co. was forced to pull its sponsorship of the 'alternative fact' site Breitbart (Andrews 2016). Its customers threatened to boycott the company for its apparent support of suspect and misleading news.

Fourth, brands fund fake news! In the search for greater reach, brands tend to associate themselves with the most popular stories – whether these are true or fake. Indeed, there is an entire fake news industry that has been built up in countries such as Macedonia that is funded by brand advertising. It is perhaps ironic that brands are the primary force behind the explosion of fake news: simply fake news attracts eyeballs, and eyeballs attract advertisers. Fake news tends to invite attention because it more easily fits into peoples' prejudices. People of whatever political or brand persuasion tend to have simplified pictures of the world. They then seek out information that confirms these simplified pictures, a process known as 'confirmation bias (Nickerson 1998).'

Brands fund fake news sites both directly and indirectly. They fund them directly first by simply targeting popular sites,

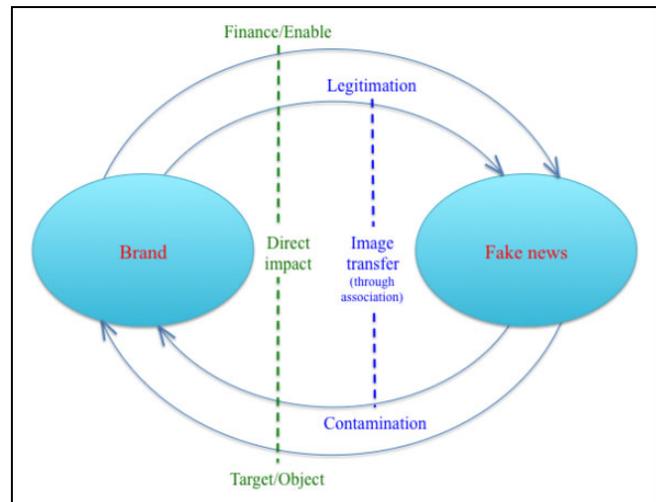


Figure 1. The relationship between brands and fake news.

because web traffic attracts advertisers. Second, they target sites based on the information search profiles of likely customers, based on the type of story or product to which potential customers are attracted (Chatterjee, Hoffman, and Novak 2003; Dreze and Hussherr 2003). They also fund them indirectly by following or tracking customers as they surf from site to site. Here it's not the site that attracts the advertiser, but the customer. These simple algorithmic approaches to targeting are increasingly automated, and this exacerbates matters. Companies often use databases of blacklisted sites to avoid obvious mispairings of advertising and site content. However, fake news can all too easily appear on new un-blacklisted sites, and more troublingly on bona fide news outlets. Indeed, every major news outlet, from the BBC to the New York Times and from CNN to the Huffington Post, has at some stage published false stories. Fact checking of new stories can be difficult and time consuming, so in an age where instantaneity and topicality rule, due diligence is often wanting. Finally, with the pressure to be first with stories and the rising difficulty of making news outlets pay, journalists are increasingly being replaced by story-writing artificial intelligence programs (Keohane 2017). The relationship between brands and fake news is summarized in Figure 1, where the direct impact (financing and targeting) and indirect impacts (legitimation and contamination through image transfer) of brands and fake news are specified.

How Did We Get Here? A Little Bit of Historical Context

Ideas have consequences. They shape how we act and think. In the recent past, Western civilization has undergone two major intellectual revolutions, both of which shape how we think and act. The first was the rise of modernity, and the second, the ascent of its nemesis, postmodernism. It is the latter's undermining of the former that lies at the roots of the post-truth world.

The origins of modernity can be traced back to the European Renaissance and the ensuing Enlightenment. Led by

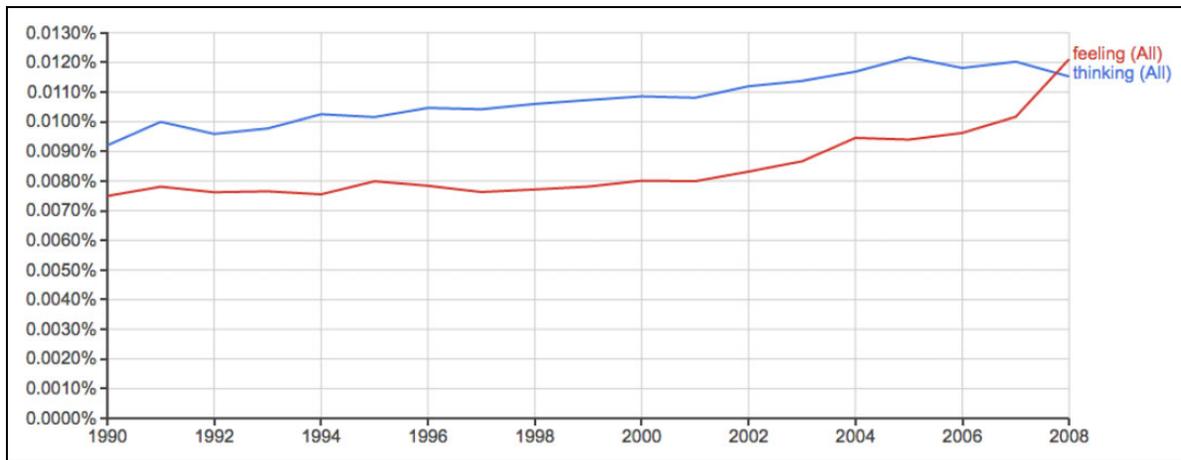


Figure 2. An n-gram search on Google books for the frequency of the words 'thinking' and 'feeling' from 1990 to 2008 (the (All) after thinking and feeling refers to the fact that both capital and lowercase usages of the words are counted).

philosophers such as Descartes and scientists such as Newton, modernity saw the ascent of reason, and the birth of the modern sciences, with their search for 'objective' knowledge about the world. It witnessed a shift in perspective from locals (specific people, specific nations, specific countries, etc.) to universals (all people, all nations, one world). Just as there were seen to be universal laws of nature (gravitational constant, speed of light, etc.) there were seen to be universal human rights (regardless of race, religion, gender, class, etc.). Objective truth was modernism's goal and prize. Received, or untested wisdom from tradition, religion and authority was questioned and in many instances jettisoned. Rationality was seen as the panacea to the opiate of 'belief.' The machine was seen as the metaphor for how the world worked. Thus was born the modern, secular, bureaucratic society. However, if objective, scientific truth was the measure of all things, then what about values, ethics, beauty and imagination? So just as modernism gave, so did it take away. For many people this led to disenchantment and a loss of meaning. The world was there but the soul had gone.

Just as modernism had scrutinized what had come before, in time, intellectuals began to examine the foundations of modernism, namely objective truth and rationality. Philosophers such as Rorty (1991) questioned the notion that knowledge is a 'representation' of the world, arguing that objectivity is merely a matter of intersubjective consensus. Furthermore, it was believed that language does not simply describe the natural world, it creates the world and ourselves. This switch from the objective world to the inter-subjective world of language and culture dominates postmodernism.

Indeed, the common theme of postmodern thinkers from Lyotard to Bourdieu is that there is no objective "truth." Rather, truth is a cultural or linguistic construction. Moreover, as Foucault (1984) argued, behind every truth claim is a power differential, or oppressive hierarchy, wherein those in authority attempt to force others to adopt their 'truth' and their 'values'. Thus, Foucault and others explored how power, rather than rationality or objectivity determined truth, because those in power determine the language that determines reality. Thus,

the search for truth gave way to language wars, as different factions sought to control the language used in society. We see so much of this in today's ongoing 'politically correct' language debates.

Hand in hand with the notion that language creates reality, came the rise of emotion over rationality, feeling over thinking. If truth is a function of power, rationality is a function of context. Derrida (1976) argued that all terms, concepts, and arguments depend for their existence on things outside themselves, things that are both absent and different from. These differences in space, and differences in time, render everything context bound. So, rationality is a function of particular cultures and times. Rationality is neither singular nor stable. There are multiple rationalities and they are forever changing. Indeed, a particular rationality is less about *reason* than the *emotional* attachment to a particular set of cultural values. Here Derrida is echoing Western psychoanalysis wherein emotion comes before reason and is used in the former's service. The fact that mathematicians such as Gödel showed that even systems of formal logic were never self-consistent added weight to the postmodern view questioning rationality.

Indeed, it is insightful that the phrase "I think", with its call to reason, has increasingly been replaced by "I feel", with its call to emotion, in common parlance. This is also reflected in books, where a search on Google's n-gram from 1990 to 2008 (the latest year available) reveals the rise of usage of the word 'feeling' and the decline of 'thinking', as shown in Figure 2.

Marketing scholars began to take a strong interest in postmodernism during the last two decades of the previous millennium. Scholars such as Brown (1993), Firat and Schultz (1997), Firat and Venkatesh (1993, 1995), Hirschman and Holbrook (1992), Holbrook (1995), and Sherry (1991) were among those to consider postmodernism and what it meant to the study and practice of marketing. Venkatesh (1999) noted presciently that postmodernism or its earlier version, post-industrialism, argued for the emergence of the information economy and the knowledge-based industries that have since supplanted its machine-based predecessor. Among the five conditions of

postmodernism he identified as being able to shed new light on marketing thinking, the three that are particularly relevant to this exploration of fake news and brands are its focus on hyper-reality, fragmentation and symbolic behaviors:

Hyperreality implies that, as humans, “we construct our own realities and that these realities are a product of our imaginations, ingenuities, fantasies, and pragmatic needs” (Venkatesh 1999, 155). As Baudrillard (1981) argues, when realities are constantly constructed and consumed, we live in a simulated environment. Venkatesh (1999) also refers to individual identity construction as being *fragmented*. Thus not only is there the market segmentation so beloved of traditional marketing, but also the notion that the individual “self” also is fragmented, rather than a unified construction. Postmodernism also views consumption processes as *symbolic* in nature. Thus, consumers negotiate consumption processes via the meanings given to them by the media, as well as the groups to which they belong, such as their families, or culture (Venkatesh 1999).

In a thorough critique of postmodernism in marketing, O’Shaughnessy and O’Shaughnessy (2002) note that advertising is of particular interest to postmodernists because so much of it is condensed nuance, and a parody of higher forms of entertainment. Their exemplar of postmodernism is Las Vegas, where perception, not reality, is sold. The essential precepts of postmodernism are therefore that there is no absolute truth, faith in scientific rationality is blind, and that only progress is inevitable. ‘Truth is rejected as a legitimate goal while scientific theory is regarded by some postmodernists as an “authoritarian weapon”’ (O’Shaughnessy and O’Shaughnessy 2002, 113).

So, we have truth being a function of power, and rationality a function of value, which in turn is a function of emotion. Thus, hyper-relativism became the hallmark of the postmodern perspective, which has led to widespread narcissism (it’s all about me and what I feel) and nihilism (rejection of all established truths, facts, laws, values, etc.). Of course, it’s easy in hindsight to see the flaws in postmodernism – it is riddled with performative contradictions. For example, ‘there is no universal truth’, is itself a ‘universal truth’. However, the point is that we are still very much living with the consequences of the postmodern worldview.

In summary, we see that the roots of post-truth/fact and truthiness have a long intellectual history, and that this thinking has permeated the academic marketing dialog. The fact that they have come to a head at this moment needs further exposition. We now turn to the role that technology has played in this unfolding.

Technology’s Role

If the machine was the metaphor for modernism, the rhizome was that of postmodernism. The rhizome (e.g. Deleuze and Guattari 2004), from the Greek for a tangle of roots, is all connection, no hierarchy, and non-linear. Ironically this is the very structure of the Internet. It is incongruous that the information age has simultaneously given us the misinformation age. The pioneers of the information age believed that all

knowledge should be equal, free and uncensored. The Internet, with its non-hierarchical, neutral-to-all content (at least in countries where the Internet is not censored) is the embodiment of these principles. Search engines, the enablers of the net, also take the notions of knowledge equality and lack of censorship to heart. Search results from engines such as Google, Duck-DuckGo and Yahoo do not prioritize knowledge in terms of accuracy, truth, quality or depth. Rather, search results are based on simple popularity. Knowledge is a popularity tournament rather than an accuracy competition. Google’s claim to “organize the world’s knowledge and make it universally accessible” should have a caveat: “by organize, we mean: let the people vote on what they like.”

The advent of social media platforms on the Internet adds a further twist to ‘truth as popularity.’ In the days of centralized (and hierarchical) broadcast media, people shared the same news stories and were given, to varying degrees, a range of opinions. On social media, where individuals select both the stories they read and the people they interact with, opinions and views are reinforced in an echo chamber driven by positive feedback loops. Under this hemophilic sorting, views become more extreme and entrenched, and knowledge of other perspectives diminishes. Truth more and more becomes “my” truth.

Thus, the social media Internet’s truth as *popularity* and truth as *my* truth, both crave and fuel the spread of fake news.

Are Marketers Complicit?

So, where does marketing fit in the postmodern world? Are marketers part of the problem or simply victims of it? A cursory review of the origins of modern marketing reveals that it developed, in part, as a solution to the problem of mass production. As mechanization enabled goods to be mass-produced at low cost, supply of products began to outstrip demand (Bartels 1976; Hollander et al. 2005; Keith 1959). The problem was then how to turn citizens into consumers (Arens and Sheldon 1932). Using a variety of techniques advertisers were charged with persuading people to buy more goods and services. This saw a shift in advertising products for their functionality – soaps that clean, beverages that quench thirst – to advertising brands as ‘reality creators’, be this a feeling, a life style, or even a world. ‘Selling the sizzle and not the steak’, today soaps ‘save the world’, and beverages bring ‘happiness and peace’. Indeed, it can be argued that marketers became major cultural proponents and purveyors of the postmodern worldview or as Debord (1990) stresses, the “aesthetics” of an offering are more important to the consumer than its value in use. Marketers employed the tenets of magical thinking in brand promotion: products were marketed as having enchanted properties that turned dreams into reality.

In parallel, marketers have become some of the main cultural purveyors of truthiness and post-fact. Since the 1960s brand advertising has possessed two fundamental traits: First, brand advertising is designed to appeal to emotions rather than rationality. Second, images have increasingly replaced words. While words can be right or wrong, and subject to the scrutiny

of fact-checking, images do not need to correspond to any actual or objective reality.

Brand Duplicity

Brands can be considered duplicitous from a modernist perspective on two levels: First, in what they suggest consumption will offer the individual. Second, in denying the actual effects of consumption.

So, what do brands purport to offer? Consider these examples: M&M's are marketed as "Vitamins of love", McDonalds as "I'm loving it", and Subaru as "Love is what makes a Subaru." Each of these brands is implying that consumption of their products will in some way bring the consumer, in some undefined way, 'love.' Indeed, this is a very common theme of brand messages. They promise to fulfill human needs for emotions such as love, peace, happiness, and friendship with offerings, claims that are highly specious. As the scriptures and philosophers for eons, and more recently psychologists such as Daniel Gilbert (2009) have observed, material objects don't fulfill the human heart. Socrates argued long ago that emotions such as happiness are *directive* rather than *additive*. They do not depend on external goods, but on how we act or behave in the world (Vlastos 1984). But many brands and their messages invert the causal link. It can be argued that they disempower the individual and foster the illusion that emotions such as happiness and love are not in their hands, but in the branded object.

So, if brands cannot deliver on what they purport to offer, what about the very real effects of their consumption? Many firms have poured millions into the manufacture of doubt, fake news and 'alternative' facts. The Philip Morris Corporation spent millions of dollars undermining the research that linked smoking to lung cancer (Mukherjee 2010; Oreskes and Conway 2010). Indeed, in the early part of the 20th century, the company enlisted doctors to promote smoking for its 'health' benefits. Energy companies such as Exxon and Peabody Energy have funded climate change skeptics, and supported research claiming that increased CO₂ in the atmosphere will raise crop yields. Soda manufacturers such as Coke and Pepsi have consistently challenged evidence on the effects of high sugar soda consumption on diabetes and obesity, and spent millions fighting sugar taxes designed to promote public health. Most recently, we have witnessed the lengths to which car manufacturers, most prominently Volkswagen, but including Renault, Nissan and others, have gone to fake emissions tests so that they can claim that their cars are "clean and green", while avoiding regulatory penalties when they are not.

Brand Stories

Today brands are imbued with fake personalities and fake histories. The heavily sweetened corn flake, Frosted Flakes is fronted by the fun, lithe Tony the Tiger, a sharp contrast to unhappy and obese children, which critics point out is the result of the consumption of such products (Schultz 2011). Meanwhile, from Shinola, the high-end Detroit watch brand, through Häagen-Dazs,

the ice cream manufacturer, to Hollister, the hoodie manufacturer, marketers create histories and associations that, although entirely fabricated, appear to lend the products authenticity in the minds of their customers (Perman 2016).

Steps Towards Managing Brands in a Post-Rational World

Astute readers will note that using traditional brand advertising to remedy false perceptions is recommended only as something to be undertaken as a last resort. The days of simply broadcasting one's innocence are long gone. Skepticism (and even downright cynicism) and a culture of irony so permeate much of society that without addressing the systemic issue of how to manage brands in a post-rational age, we may actually compound the cycle of skepticism.

We propose two kinds of solutions: technical and systemic. Technical solutions refer to the actions that can be undertaken to address false news. Systemic solutions indicate steps that executives can take to rethink the management of brands in order to inoculate their brands from various forms of 'fakery', and reestablish their stakeholders' trust. For, as we have discovered, brands are not only hurt by fake news from the 'outside', they are also hurt when the brands themselves communicate with some degree of duplicity. Systemic solutions mean putting marketing and branding on the psychologist's couch, taking a good, long, hard look in the mirror, and frankly acknowledging that business has been complicit in creating the post-rational culture we now inhabit.

Technical Solutions

Technical solutions involve addressing each of the four types of relationship that brands have with fake news are summarized in Figure 1, namely, funding, legitimation, contamination and targeting. Obviously, funding, legitimation, and contamination are interrelated and are underpinned by two issues. First, how to minimize the placement of brand adverts adjacent to fake news stories, and second, when such pairings do occur, how to minimize the damage. This issue of when brands themselves become the targets of fake news leads us to the broader discussion of the systemic management of brands in a post-rational age.

The minimization of pairing of brand advertisements and fake news involves changing the ways in which marketers target consumers. As mentioned, computer algorithms are typically used to either target sites that match focal consumers' interest profiles, or follow the consumers themselves from site to site (Chen and Stallaert 2014; Lodish and Reed 2011). Ideally, what needs to be introduced is a human layer in the process. Here, algorithmically selected sites are then screened by trained observers, just as Wikipedia screens dubious content. In the longer term, humans can be augmented by deep learning (neural network) programs that have been trained by humans to spot fake news stories. Alternatively, or in addition, consumers themselves can be recruited to identify fake news and

flag spurious content and the associated web sites. Facebook is, at the time of writing, looking to hire an executive to be responsible for the elimination of fake news (Fuscaldo 2017). Whilst these latter solutions may seem attractive, especially those due to low cost and community engagement, they are not panaceas. For, as mentioned, the community itself often craves false news.

When brand advertisements do appear next to fake news stories, remedies are twofold. The first lies in the general education of consumers about fake news and the algorithmic targeting used by advertisers. This is akin to the current efforts to educate consumers about phishing email scams. Indeed, this is already underway in some schools, where students learn to spot fake news in media literacy classes (Berdik 2016). Second, consumer brand advocates can be enlisted and enabled to alert managers when a brand advert has inadvertently been coupled with inappropriate content. This has the added benefit of consumer engagement and can build brand activism.

Systemic Solutions

Systemic solutions involve a rethinking of brands and branding. As we have suggested, brand managers have all too often embraced the postmodern worldview, with its appeal to nihilism and narcissism, where reality is created by the words and stories we use, and emotions drive decisions. Thus, brands have, perhaps both intentionally and unintentionally, added to the fakery of our post-fact, truthiness world. Too often brands have become ends in themselves uncoupled from the reality of the offerings they adorn. Brand managers might want to pay heed to the O'Shaugnessy and O'Shaugnessy (2002) caution with regard to postmodernism in marketing: "It would be fatal for marketers to believe that it can all be done with mirrors as substance never counts" (p.115).

Toyota did not get to be the biggest and one of the world's most respected car companies by appealing to magical thinking. It got there by making reliable cars. Tesla did not come from nothing to be the largest maker of electric cars in a mere four years by appealing to ecological thinking (although its ecological appeal obviously helped). It got there by making electric cars that outperform gas-powered cars! For example, the Tesla S100 achieves 0 to 60 mph in 2.28 seconds, which is the fastest car currently in production, and historically only beaten by one hypercar, the Porsche 918 Spyder (which sells for more than \$1million). Contrast this with Volkswagen, who with its obsession to beat Toyota to become the world's largest car manufacturer, installed software on its diesel cars that detected when the car was being emission-tested. The software remapped the engine parameters so as to comply with the emissions standards, yet once back on the road the software mapping reset to allow the engine to expel pollutants many times the legal limit. Quite simply, Volkswagen was duplicitous – it was the purveyor of fake news. When it was caught, \$2 billion was knocked off the company's market capitalization.

The point is that brands are not, as many managers believe, ends in themselves. They are the *result* of outstanding

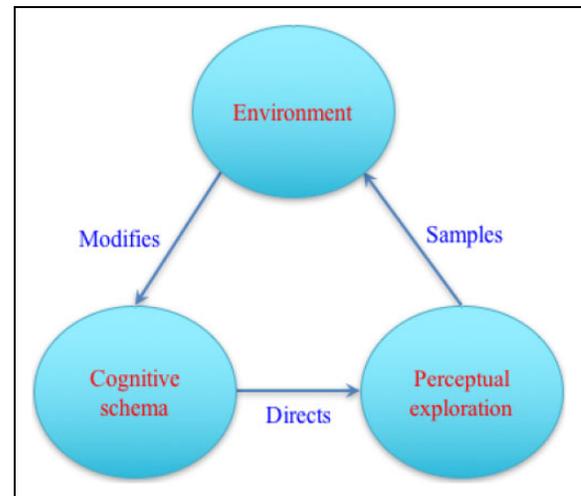


Figure 3. Neisser's perceptual cycle.

offerings. Certainly, they can act as interpretive frames, but they don't unilaterally create the reality as postmodernism would suggest. A systemic solution therefore involves returning to respecting modernism (objective truth, the thinking function and rationality), without a wholesale rejection of some of the legitimate insights offered by postmodernism (the role of language, respect for diversity and acknowledgement of the feeling function).

The modern perspective, recently articulated eloquently by John Deighton (2017), is that strong brands are a consequence of great offerings. Here we have the modernist view that brands reflect reality. In contrast, from a postmodern perspective, brands create reality. And as we have seen with brand stories and personalities, they do seem to lend authenticity to certain offerings - a view most succinctly captured in Nike's slogans 'We are the stories we tell', and 'Take charge. Write your own story.' How might we integrate the two perspectives? One way forward is to look at brands not as objects but as processes, and specifically perceptual processes. Here we draw on the work of the psychologist Ulrich Neisser (2014) and his model of the perceptual cycle, summarized in Figure 3.

Traditional theories of perception present perception as a passive act, where stimuli impinge from the outside world, and which in turn are then filtered, and thus either noticed, ignored, or processed further (Kiesler and Sproull 1982). Neisser presents a rather different view. Here perception is not an act of reception, but rather of construction, or indeed pre-ception. Einstein (1982, 266) sums it up as follows: 'It seems that the human mind has first to construct forms independently before we can find them in things'. Although Neisser's approach was initially developed to more fully understand visual perception, it is equally applicable to the other senses - touch, taste, sound, smell - which are all considered analogous. In Neisser's model, cognitive schema, defined as constructed anticipations of certain kinds of information that are plans of perceptual action as well as readiness for particular kinds of information, i.e. they have a specific information valiancy, direct or drive perceptual exploration. The environment is scanned and sampled for

specific information, which in turn modifies the original ‘driving’ schema. The process is cyclical and continuous.

Applied to branding, brands can be also be thought of as cognitive schema that select, drive and frame exploration of products or offerings. Thus, BMW’s “the ultimate driving machine” focuses consumers’ perception on the driving experience. The customer then drives a BMW and ‘tests’ the schema against the reality of the product experience. In this way brands can be thought of as testable hypotheses. This nicely integrates the modernist view that there is a product reality and the post-modern view that language shapes reality. It is neither naively modernist – because one never has unmediated access to ‘reality’; nor is it radically postmodern – because one still has to test the schema on things outside the frame. The recent debacle with United Airlines’ forcible removal of a passenger from a flight confirms most customers’ experience of the airline: Its branding as “fly the friendly skies” fails the reality test.

How Does This Change the Way in Which Brands are Managed?

How does this change the way in which brands are managed? It highlights a critical number of important elements: First, as outlined above, brands frame the way customers interact with offerings, they highlight certain features whilst diminishing others. Managers need to think carefully about what their brands suggest, promise and elicit. When a brand suggests one thing, and delivers another, customers will be disillusioned and disappointed. When a brand promises, and fails to deliver on that promise, customers will feel cheated. When a brand suggests particular features of an offering and these are either not realized or are irrelevant, a campaign can be both meaningless at best, and antagonizing at worst. Hewlett-Packard was an engineering-led company when Carly Fiorina took over as CEO in 1999. Her subsequent spending of vast sums of money on marketing, promoting HP as a colorful, creative brand at the expense of R&D, caused customer disillusionment. By the time she was fired by the HP board in 2004, earnings had declined by almost 25%. This was at the height of the high-tech boom, when firms emphasizing technology over marketing were experiencing booms (Traister 2006).

Second, perceptual exploration is an active process. A customer’s experience of the offering is not passive, but directed by the schema the customer has of the offering. Simply put, no experience is a-contextual; the how, where and why are as important as the what. Apple understands that how and where we interact with their products is critical. Apple stores not only look and feel different, mirroring the branding of “think different,” they invite customers to look, touch and interact with their products in a relaxed environment, with help and advice available at a moment’s notice.

Third, the product, offering and experience have to match the brand frame, or the brand schema. There is always this ‘reality’ test and if a firm’s offering fails its own brand test then there will be negative consequences. For example, BP’s branding of ‘Beyond Petroleum’ compounded the irony and

disillusionment with the company in the wake of the Deepwater Horizon disaster. “Beyond Petroleum” was meant to conjure images of a traditional oil firm that was exploring a wide range of other energy alternatives. The reality was that BP was only expending a fraction of a percent of R&D funding on alternative energy sources. The Deepwater Horizon event exacerbated public disillusionment with the brand by suggesting that “Beyond Petroleum” meant denigrating the environment in a cavalier manner. The impact on the brand was so severe that sales at gas stations declined by 40% in the US, leading to the firm rebranding these outlets as “Amoco Fuels”.

Fourth, the process can begin at any of the three stages – exploration, sampling and framing. Thus, one needs to make sure that all three of these stages stand on their own, without reference to the other elements. Often consumers experience offerings in a given context before they even know the brand, and conversely a consumer might know a brand without experiencing the offering. For example, a guest at a meal might enjoy a wine decanted to a carafe without knowing what the wine’s brand is. Similarly, a consumer might know and love the Ferrari brand without ever having driven in one. The perceptive brand manager will therefore understand that because the customer can enter the cycle at any of the three points, each of the three elements must stand on their own, as well as being integrated with each other. Stated differently, brands as perceptual cycles place onus on the brand manager for coherence and consistency between the stages. Dissonance between the stages is tantamount to inauthenticity and even fakery.

Finally, managers need to remember that the perceptual cycle belongs to the consumer, and not the brand manager. The firm may own the brand trademark, but not the consumer’s brand schema. And, it is the latter that determines success or failure. For example, in 2010, when fashion retailer Gap changed its traditional white-on-navy blue logo to a white background with black letters, there was a significant customer backlash and resistance on social media. Loyal Gap customers felt that “their” brand had changed without their permission and were vociferous in their opposition to this change. Within weeks the company capitulated and changed the logo back to its original classic design.

Thus, we suggest a managerial change of stance, from viewing brands as ‘objects’ to viewing brands as ‘processes.’ The American Marketing Association (2017) currently defines a brand as a name, term, design, symbol, or other feature that distinguishes an organization or product from its rivals in the eyes of the customer. We would suggest an alternative definition: a brand is a continually updated cognitive schema that invites the customer to experience a product or service in a particular way and, in turn, is modified by the customer’s experience of the branded offering. Thus, brands evolve and this evolution is a co-production of the firm and the customer. Brands are process partnerships.

Conclusion

Truthiness, judging things on how they feel rather than on rationality, and post-fact, making claims or taking positions

that have not been (or cannot be) objectively verified, are two characteristics of the present milieu. These pose challenges to marketers in two areas. First, marketers have for years navigated a grey area that has employed both truthiness and post-fact, and are thus, perhaps unwittingly, partly culpable for our post-rational age. Second, brands are becoming increasingly embroiled in fake news: they are the direct targets of fake news and directly fund fake news, and indirectly they endorse fake news, and in turn, are tarnished by association. Together, these two areas undermine both the credibility and trustworthiness of brands.

Now, the appeal to emotions and the rejection of both rationality and objective reality are not new. However, our present age represents a modern apogee of these phenomena. In this paper, we explore the intellectual roots of our present age, its technological enablers and the role that marketing has played in disseminating the postmodern worldview.

Intellectually, postmodernism questioned our notions of objectivity and rationality. Leading philosophers, followed by academics of most disciplines, argued that there is no objective world, only inter-subjective consensus. Given that this inter-subjective consensus is achieved through language, the next step was to argue that language does not reflect but creates our reality. Moreover, truth claims were seen as the attempt by powerful elites to impose their version of reality on others. Similarly, rationality was deconstructed and shown to be neither rational nor universal. Reason was seen to be contextual and emotionally driven.

Just as thinkers shifted focus from objects to language, technology shifted from matter to information. With the rise of the Internet and social media, technology became the physical embodiment of the postmodern: reality slowly gave way to virtual reality. Search engines rank knowledge on popularity rather than, truth, plausibility or accuracy. Social media changed physical communities, with heterogeneous views and values, into virtual communities with highly homogenous views and values. In the virtual world of the Internet, 'The truth' and 'The rational' are replaced with 'My truth' and 'My emotion'. This world of nihilism and narcissism provided fertile ground for the spread of fake news.

Marketing, perhaps one of the most phagocytic of disciplines, readily absorbed the tenets of postmodernism. For the latter is essentially arguing for the primacy of the image over reality, and branding at least, is largely about image construction. Thus, marketers have, through appeal to emotion and magical thinking, suggested to people that they can achieve higher order human aspirations of love, peace, and happiness through the consumption of their offerings, whilst at the same time denying the actual effects of consumption. Such claims and denials that are both rationally and factually suspect have caused marketers to inadvertently fuel the post-fact, truthiness culture.

This is ironic: that which marketing helped bring about, has turned on marketers themselves. To address the challenge of fake news, we suggest marketers take a number of steps. These are of a technical and systemic nature. The technical steps are

the operationalization of various safeguards to minimize the association with, and impact of, fake news. However, given marketing's complicity with truthiness and post-fact, systemic solutions are also required. The first of these is that managers should become aware of the two major ways in which brands operate. From a modern perspective, brands are a reflection of the reality of the offering. They are something earned and in a sense retrospective. From a postmodern perspective brands create reality. They are something generated and prospective. Both modern and postmodern perspectives taken to extremes offer serious pitfalls for marketers. An extreme modern perspective is tantamount to the philosophy that 'building a better mouse trap will cause the world to beat a path to your door'. In most instances this is unlikely to work as the world is littered with superior offerings languishing in the back alleys of anonymity. An extreme postmodern perspective, in contrast, is tantamount to 'the story is the mousetrap'. This can all too easily lead to brand duplicity, and in turn, customer disillusionment and cynicism. In the civic arena, citizens' cynicism may be because for far too long politicians have played the postmodern card, telling stories about a reality that did not exist and cannot be created.

The second of these solutions is that managers should view brands in terms of Neisser's perceptual cycle as a way of integrating both modern and postmodern perspectives, so that they each balance and complement the other. The brand image, or schema, helps frame the offering and consumption experience, whilst the offering and experience 'reality test' the brand image.

The third solution is that by viewing brands in terms of a perceptual cycle, managers can shift from considering brands as objects, to seeing them as processes. And as processes, brand schema are never static, they are continually updated and evolve over time. Moreover, this shifts the focus from the marketer to the customer, for brands as schema exist in the customer's head and not in the hands of the firm.

Thus, in conclusion we suggest a more equal relationship between firms and customers, and between image (brands) and reality (offerings). Nihilism and narcissism, duplicity and cynicism are not fertile grounds for generating value.

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