ARTICLE

Brands
A critical perspective
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Abstract. This article proposes a critical perspective on brands based on recent developments within Marxist thought. It argues that brands build on the immaterial labour of consumers: their ability to create an ethical surplus (a social bond, a shared experience, a common identity) through productive communication. This labour is generally free in the sense that it is both un-paid and more or less autonomous. Contemporary brand management consists in a series of techniques by means of which such free labor is managed so that it comes to produce desirable and valuable outcomes. By thus making productive communication unfold on the plateau of brands, the enhanced ability of the contemporary multitude to produce a common social world is exploited as a source of surplus value.

Key words
autonomous Marxism ● brands ● consumption ● critical theory ● multitude

WHEN MARTHA STEWART – THE SUCCESSFUL American lifestyle icon – appeared to salute her fans following her prison sentence in July 2004, she urged them to stay faithful to her brand. She stressed how their continued belief in its values, and their continued commitment to the community that it embodied, was the only thing that could prevent the shares from plunging.¹ Mrs Stewart’s appeal to her customers to ‘keep believing’ might seem the natural reaction of any businessperson who sees her reputation sullied. But it also expresses a more profound sociological truth. Today, the value of brands like Martha Stewart’s builds only in part on the qualities of
products. To a great extent it is also based on values, commitments and forms of community sustained by consumers. This way, brands are mechanisms that enable a direct valorization (in the form of share prices, for example) of people’s ability to create trust, affect and shared meanings: their ability to create something in common.2

To some extent this has of course always been the case. Any businessperson would probably agree with long marginalized (and recently rediscovered) sociologist Gabriel Tarde’s (1902) insight: that the public construction of ‘truth’, ‘beauty’ and ‘utility’ are important factors that contribute to establishing the economic value of goods and services. But today this link between public communication and economic value has acquired an unprecedented centrality. For companies like McDonald’s, Coca-Cola or Nike, the most valuable asset is the public standing of their brands; the place that these have acquired in the life-world of consumers.3 In the form of ‘brand value’, the dynamics of public communicative interaction have a direct impact on the value of shares traded on financial markets. Consequently the management of public communicative action has become a central element to economic governance (both for marketing and for management, where the concept of the ‘organizational brand’ now plays a central part). Public opinion, affect and sentiment have entered as central parameters in contemporary shareholder oriented corporate governance (Williams, 2000).

The other side to this fusion of public communication and the production of economic value is that our everyday life-world is filled with attempts to manage and steer how we actually produce truth, beauty and utility around goods. The instruments of brand management permeate our life-world: advertising in all its forms, product placements in films, video games and other media products, corporate sponsorship of everything from sport events to exhibitions and children’s schoolbooks, and not least, the ubiquitous ‘logos’ that adorn our bodies and that work, some say, as a kind of pre-structuring of our movements through time and space (Lury, 1999). We end up living in a well nigh all-encompassing brand-space, within a kind of ‘ambient television’ (McCarthy, 2001), where our ability to look, fantasize, sympathize, be fascinated, or sometimes simply to act and feel, can constantly be invited to give attention to a particular brand, and thus contribute to sustaining the immaterial qualities that form the basis of its value. In the context of contemporary, image-saturated capitalism more generally, Jonathan Beller claims that ‘looking is posited by capital as labour’ (Beller, 2002: 61).

Recent analyses of the brand as an institution have been informed by
the suspicion that it is the meaning-making activity of consumers that forms the basis of brand value. In a recent article Douglas Holt claims that what he calls ‘postmodern brand management’ builds not on attempts to foster and impose particular consumer practices, but rather offers brands as ‘cultural resources’, and then capitalizes on what consumers produce with those resources: ‘The market today thrives on consumers [who act as] unruly bricoleurs who engage in nonconformist producerly consumer practices’ (Holt, 2002: 94). Similarly, in her successful anti-branding manifesto *No Logo* (2000), Naomi Klein denounces brands for (among other things) their tendency to colonize public space, insert themselves in all walks of life, and demand and capture attention and affect. Although both Holt and Klein make a connection between the creativity or agency of consumers and the value of brands, neither of them spell this out theoretically. That is the purpose of this article. I will suggest a model for how ‘looking’ can be conceptualized as ‘labour’. Or, to put it in my terms: how the human ability to create what I will call an *ethical surplus* – a social relation, a shared meaning, an emotional involvement that was not there before – around a brand can be understood as the direct basis of its economic value.

In presenting the relation between consumption and brands in these terms, I will depart from contemporary re-readings of Marx as they have evolved within the primarily French and Italian school of ‘autonomist’ Marxism (for an English overview, see Dyer-Withford, 1999; Wright, 2002). This tradition has developed as a response to the social transformations that have accompanied the movement from a Fordist, factory-centred production process to the more diffuse and expanded systems of production that characterize post-Fordism, where social interaction and communication enter as directly productive elements. Drawing on insights from this tradition, I will offer an argument that expands Marx’s model of the capitalist production process to include both what many consumer researchers have argued to be the productive aspects of consumption (cf. Firat and Dholakia, 1998), and what some critical theorists have seen as the controlling or even exploitative aspects of brands and of the new ‘means of consumption’ in general (Ritzer, 1999). To make this argument, some rethinking of the categories of ‘production’ and ‘consumption’ will be needed.

The next section will offer a short description of how brands actually figure in the contemporary accounting literature as a form of capital, as a resource that (from the point of view of capital) generates value. The following section goes on to speculate on what kind of labour can be the source of such brand value. I suggest that consumption can fruitfully be
conceptualized as one manifestation of the ‘immaterial labour’ that contemporary Marxists (and non) see as increasingly central to post-Fordist capitalism (cf. Gorz, 2003; Hardt and Negri, 2004; Lazzarato, 1997). After that I re-examine how brands can function as capital, not only formally (as in their place on accounting sheets) but also in reality: how they function as capital within the immaterial production process that consumers engage in. Here I argue that brands provide different kinds of mediatic spaces that pre-structure and anticipate the immaterial production of consumers: spaces where it unfolds as the production of a particular form of life. In the third section I tie the two parts together and show how brand-capital actually generates value from consumption-labour. Here I draw on Marx’s famous model for the reproduction of capital (the M–C–M’ formula). I go on to analyse how brands can be said to exploit consumers. In the conclusion I suggest that the relation between brands and consumption can be understood as exemplary of how capitalism has responded to the condition of post-modernity.

BRAND VALUE

Like the intangible value embodied in the legal constructs of patents and copyrights, brand value – protected by the legal construct of trademark law – represents an important immaterial asset in contemporary capitalism. It is difficult to give exact figures for the overall economic weight of brand value, but estimates suggest that this has increased continuously over the last 20 years. During the mergers and acquisitions wave of the 1980s about 20 percent of most bid prices were motivated by the value of brands. Today that figure is closer to 70 percent in some sectors (Sampson, 1997: 176). Similarly, the importance of brands for earnings in the airline industry is estimated to have grown from five percent in 1960 to 30 percent in 2000 (Perrier, 1997). At the same time there has been a movement in trademark legislation towards a recognition of the brand, not only as a symbol of something else – the quality of a product or the identity of the producer – but as an object of property in its own right (Lury, 2004: 108 ff.). According to Interbrand (2001), a London consulting firm whose brand valuation method has been established as standard practice, the value of the world’s 100 most precious brands was estimated to be $434 billion in 2001, roughly four percent of US GDP (at $10,400 billion in 2002), and almost three times total US advertising expenditure (at $132 billion in 2000).

What do these figures represent? There are different measurements, but all have one thing in common. Brand value represents the present value of predictable future earnings generated by the brand. This is net of tax,
operational costs and costs for the material production of goods. In accounting, brands thus figure as a kind of capital, as an asset that is expected to generate value. Furthermore, brands figure as immaterial capital. Brand earnings are understood to be based not on the objects themselves, but on their ‘brand equity’, which is made up of their subjective meanings or social functions. As David Aaker puts it in his classic management manual, Building Strong Brands: ‘A common pitfall [for brand managers] is to focus on the product attributes and tangible benefits of a brand’; instead one should consider the ‘emotional and self-expressive benefits as well as functional benefits’ (Aaker, 1996: 25). Building brand equity is about fostering a number of possible attachments around the brand, be these experiences, emotions, attitudes, lifestyles or, most importantly perhaps, loyalty. From a managerial perspective brand value represents the monetary value of what a brand can mean to consumers (cf. Keller, 2001). Brands are ‘monetizable symbolic values’ (Gorz, 2003: 60).

But who produces these immaterial assets? The business literature is remarkably unclear on this question. The origins of brand equity are often attributed to diffuse factors like tradition, coincidence or luck. One suggestion could be that the immaterial assets of the brand are produced by brand managers. Brands are built through advertising, marketing, product placements, staged events and a number of other strategies devised by the various ‘symbol analysts’ that the brand-owning company employs. This is indeed the perspective of prominent brand equity theorists like Keller and Aaker. Certainly, skilled brand managers, advertising artists and other symbol analysts are likely to produce some of the immaterial qualities on which brand values are based. But do they produce all of them?

The recent emphasis on the productivity of contemporary consumer practices has led some marketing scholars to suggest that to some extent, a brand’s assets are produced by consumers themselves, beyond the direct control of the salaried organization (Bengtson and Östberg, 2004). As the following two sections will show, this suggestion also goes well with both recent theories of the contemporary labour process, and with the actual practice of brand management. In pursuing my investigation, I will thus begin with the hypothesis that some of the value of brands derives from the productive practice of consumers.

CONSUMPTION AS IMMATERIAL LABOUR

If consumption is to be considered a form of labour, that is, an activity that produces value, it is obvious that both its place and its phenomenology are radically different from the factory work that we are used to thinking of as
the paradigmatic example of labour. First of all, consumption is an activity that occurs in what Marxists refer to as the domain of circulation, and not the domain of production. In traditional Marxism, the circulation of commodities distributes the wealth produced and realizes value, but it does not produce value. This position has been criticized by feminist economists who have pointed at the value of (mostly female) reproductive household work. Since then a more general process of theoretical revision has been under way. In their classic work on post-Fordist capitalism *Economies of Signs and Symbols*, Lash and Urry (1994) suggested that an adequate understanding of the contemporary production process must include, or indeed privilege, circulation (cf. Comaroff and Comaroff, 2000; Lee and LiPuma, 2002). This inclusion of circulation, or perhaps better, the blurring of the boundaries between circulation and production, has perhaps been most prominent in analyses of the information economy. Information, its core substance, is not used up as it is ‘consumed’. Rather, much of the use-value of information lies in its ability to be passed on in some form. This passing on of information generally involves some re-elaboration that adds to or alters its content (Castells, 1996; Lash, 2002). In this way the circulation of information is also the production of information. The ‘information economy’ is thus one important example of the fusion of communication and production.

The integration of ‘production’ and ‘circulation’ has been investigated in more general terms by the (mostly French and Italian) tradition of ‘autonomist’ Marxism. Since the 1970s, thinkers like Antonio Negri and Romano Alquati have argued that the integration of communication and production is a central characteristic of the post-Fordist labour process. In new automated factories and in the new ‘industrial districts’ of northern and central Italy, productive labour was built on qualities that had previously been relegated to the domain of circulation. Material labour was no longer enough, rather productive workers had to be able to use their communicative and social skills to organize their own productive process. Negri (1989) talked about the emergence of a new form of worker that he called the ‘socializing worker’ (*operaio sociale*) whose main productive asset was his or her ability to put communicative action to work in producing a meaningful framework for the production process. With the ‘socializing worker’ communication belongs an integral element of the production process, and the production process has itself expanded to invest a series of social practices that transpired outside of the factory floor.

This idea of an extended, communicative production process has been developed in Maurizio Lazzarato’s (1997) more recent concept of
‘immaterial labour’. With ‘immaterial labour’ Lazzarato refers to the practices that produce either the immaterial content of commodities, or the social context of production itself. The product designer engages in immaterial labour. So does the member of the flexible organization who produces his or her inclusion in a project-based team. Immaterial labour works with language in the wide sense of the term. It utilizes a common ability to interact and socialize, and a common symbolic framework, a set of shared knowledges and competences, to produce a social relation (Virno, 2004). The art director uses a common knowledge of styles and fashions shared with ‘her’ peers. The team worker uses a common jargon spiced up with references to pop culture to construct a, however temporary and transitory, ‘community’ with ‘his’ co-workers. These common competences are ultimately based in a generally available symbolic repertoire diffused by a virtually omnipresent media culture. Lazzarato uses Marx’s term ‘General Intellect’ to refer to this ubiquitous symbolic resource, employed as a means of production by immaterial labour. In deploying this ‘General Intellect’, immaterial labour produces what Lazzarato calls an ‘ethical surplus’. It produces a social relation, a shared meaning, or a sense of belonging; what Hardt and Negri (2004) have more recently called a \textit{common}, that feeds into the post–Fordist production process by providing a temporary context that makes the production or the realization of value possible. Surplus value becomes (partially) based on the ability of immaterial labour to produce ‘surplus community’ (Lazzarato, 1997: 13).

To Lazzarato, immaterial labour takes place both inside and outside the organization. On the one hand, it is the business of new kinds of professionals, the ‘symbol analysts’ (Reich, 1991) who work with information, signs and social relations. But their work draws on, indeed presupposes an ethical surplus generated outside the organization. In the contemporary organization the unpaid, social life of employees is thought of as a core resource for organizational identity (Hochschild, 1997). Alternatively, the art director directly draws on knowledge, contacts and social relations that ‘she’ mobilizes in the ‘network sociality’ (Wittel, 2001) of ‘her’ leisure time. Indeed, according to Lazzarato, the ‘cycle of immaterial production’ presupposes the existence of a ‘socialized and autonomous labour force’ that can be drawn upon (Lazzarato, 1997: 24). This way, the post–Fordist production process directly exploits the communitarian dimension of social life.

According to Lazzarato, one of the most important instances of immaterial labour transpiring outside of salaried organization is consumption. Contemporary consumers do not simply use up resources, rather they
produce a social relation (a ‘relation of consumption’, Lazzarato, 1997: 42) within which goods can make sense; they produce a context of consumption that a post-modern, highly mediatized lifeworld no longer self-evidently provides (cf. Abercrombie and Longhurst, 1998; Beck et al., 1994), within which goods can acquire meaning and use-value (Miranda, 1998).

Similar suggestions have been frequent in contemporary consumer studies. Historians have argued that modern consumers should not be understood as the passive victims of producer interests, but that they have actively engaged in the social construction of the value of consumer goods, and thus functioned as part of the very productive dynamic that has driven capitalist development (cf. Brewer and Porter, 1993; Sassatelli, 2004). Within cultural studies, anthropology (Miller, 1998) and the relatively new field of critical consumer studies (an off-shoot of academic marketing) it is now standard practice to view consumption as a productive activity. Consumption is a ‘critical site in which identities, boundaries and shared meanings are forged’ (Kates, 2002: 385). Consumer goods function as ‘linking devices’ that enable the crystallization of however transitory (or even ‘neo-tribal’, Maffesoli, 1996) forms of community (Cova, 1997; Cova and Cova, 2001). In short, consumption produces a common in the form of a community, a shared identity or even a short lived ‘experience’ that adds dimensions of use-value to the object (Celsi et al., 1993; Kates, 1998; Kozinets, 2001; Muniz and O’Guinn, 2001; O’Guinn and Belk, 1989; Thompson and Troester, 2002).

Consumption thus contains aspects that enable it to function as a form of immaterial labour. Consumers use goods, and the ‘general intellect’ available to them in the form of a commonly accessible media culture, to produce a common framework in which goods can have a use-value. This is not just a matter of reproducing a pre-structured framework for consumption, a ‘code of value’ to use Jean Baudrillard’s (1970) old term, provided by advertising and other forms of commercial persuasion. Rather the existing literature insists that the productivity of consumers generally possesses a high degree of autonomy in relation to the attempted programming of marketing and advertising, and the common that is produced generally takes unanticipated forms. The immaterial productivity that consumers engage in is ‘free’, not only in the sense that it is unpaid, but also in the sense that it is generally beyond the direct control of capital (Terranova, 2004). It is this creative autonomy that makes it valuable.

This poses a further question for our analysis. We can perhaps agree that consumption is a productive activity, that it produces a common that
can work as a context within which goods can acquire (new dimensions of) use-value. But this is not enough for consumption to function as immaterial labour. For an activity to function as labour the local and specific use-values that it produces must be translated into a general value form (see note 4): it must be subsumed under capital. In the next section I shall argue that, in the form of brand management, marketing has developed a series of techniques to accomplish precisely this.

**BRAND MANAGEMENT**

The fact that consumers produce a meaningful context in which goods can have value is no novelty to marketing. In all times, vendors have known that the public perception of an object contributes to establishing its market price. However, modern, or Fordist marketing was centred on an attempt to take control of this productivity of consumers. Like its equivalent on the factory floor – Taylorism – Fordist ‘scientific’ marketing aimed at transforming consumer practice into the simple reproduction of a standardized ‘consumption norm’ (Aglietta, 1978) or ‘code of value’ (Baudrillard, 1970), imposed through advertising and other marketing techniques (Ewen, 1976; Marchand, 1985), and through the agency of the state apparatus (Cohen, 2004). While these attempts met with varying degrees of success (e.g. Peiss, 1986), it is clear that the intent was to discipline consumers (in Foucault’s [1975] sense of the term), and to educate or ‘rationalize’ their tastes and desires (Holt, 2002).

Marketing’s disciplinary paradigm (Holt uses the term ‘social engineering’) began to fragment in the mid 1950s under the combined pressures of increasing product differentiation, a new media environment, new forms of market research and, most importantly, new patterns of consumer behaviour. New forms of ‘expressive’ middle-class consumer patterns (Dichter, 1960; Martineau, 1957) and the booming youth culture (Frank, 1997) pointed at more diversified consumer culture where tastes and desires that could not be contained within a common, society-wide ‘norm’ or ‘code’. Consumers had to be granted a certain degree of autonomy. The techniques that marketing developed to deal with this new situation centred on the concept of the brand.

The concept of the ‘brand’ itself has a long history within marketing thought and practice (Koehn, 2001). Now, however, there was a notable shift of emphasis. Originally brands had referred to producers. They had generally served as a trademark or a ‘maker’s mark’ that worked to guarantee quality or to give the potentially anonymous mass-produced commodity an identity by linking it to an identifiable (if often entirely
fictional) producer or inventor or a particular physical place. Now the brand, or the ‘brand image’, began to refer instead to the significance that commodities acquired in the minds of consumers (cf. Gardner and Levy, 1955).

In its contemporary use, the brand refers not primarily to the product, but to the context of consumption. It stands for a specific way of using the object, a propertied form of life to be realized in consumption. In their productive agency, consumers employ this propertied context as capital in the obvious sense of a means of production. Brands supply a virtual (Shields, 2003) context that facilitates or enables the production of a particular kind of common. The brand is a ‘platform for action’ that anticipates certain activities and certain modalities of relating to those activities (cf. Lury, 2004: 1). Cooking with Jamie Oliver is different from cooking by yourself. The virtual nature of the branded context means that it only exists in so far as consumers take it seriously. ‘The power of a brand is what resides in the minds of customers’ (Keller, 2001: 14). The brand has to be enacted. Consequently, in the form of brand management, marketing has developed a series of techniques to ensure consumers do enact the intended brand identity (Cochoy, 1999): to make the brand function as a programming device (Lury, 2004: 8).

The fact that brands only exist – only offer resistance, to use the Latourian/Deleuzian definition of existence – as long as consumers act on them introduces a tricky problem. In so far as consumers’ reproduction of the form of life that the brand stands for tends to introduce an element of diversity, an ironic twist, or simply an unanticipated development, management must allow for a certain mobility of the brand image: the brand is an ‘open-ended object’ (Lury, 2004: 151). At the same time this mobility must be controlled and kept within the boundaries of the intended brand identity. This necessity to balance between innovation and conservation means that brand management contains two sets of techniques: those that aim at the selective appropriation of consumer innovation, and those that aim to make consumers’ use of branded goods serve to reproduce the forms of life that the brand embodies. Even in this latter case it is not a matter of imposing a particular meaning or message, or of fostering a particular model of consumption to simply be reproduced by consumers. Brand management is not a disciplinary practice. It does not seek to impose a certain structure of tastes or desires, not even a certain manner of relating to goods. And there are seldom sanctions. Rather, brand management works by enabling or empowering the freedom of consumers so that it is likely to evolve in particular directions.
In its present form, brand management recognizes the autonomy of consumers. It aims at providing an environment, an ambience, which anticipates and programs the agency of consumers. Brand management says not ‘You Must!’ It says ‘You May!’ (Barry, 2001; Žižek, 1999).

These efforts at anticipation move at different levels of abstraction. At the most abstract level we find the management of the media image of the brand. To a large extent brands are built through investments in media culture, in advertising, product placements, sponsorship and co-branding (cf. Janson, 2002; Kellner, 1995). The media strategy of brand management differs from Fordist advertising, and not only in its frequent recourse to an ironic approach that positions viewers as reflexive and ‘knowing’ interpreters. More significantly, brand management does not so much aim at sending a ‘message’ about the product (however ironic) to consumers. Rather it aims at defining the contours of what the brand can mean, by creating inter-textual links in media culture. Brand management aims at creating what Marshall (2002) has called an ‘inter-textual commodity’: a mediatic space that anticipates the agency of consumers and situates it within a number of more or less precise coordinates. Within those coordinates consumers are free to produce the shared meanings and social relations that the branded good will help create in their life. Marshall cites Nintendo as an early example of this strategy. Starting in the late 1980s, Nintendo licensed a wide range of gadgets around its successful core products, the videogames SuperMario Bros. and Zelda. T-shirts, watches, cereal, sleeping bags, dolls, magazines, cartoons, wallpaper, snacks and a film (The Wizard, Provenzo, 1991: 15 ff.). ‘Kids’ could use these objects as a kind of raw material for their play with and around Nintendo’s video games. In their play they would create a common in the form of a local and specific Nintendo world, partially – but not entirely – determined by the coordinates of the brand space. Today many companies use similar strategies to define the contours of a form of life to be acted out in more concrete ways by consumers. Through its sponsorship of action movies of the James Bond and John Woo kind, BMW anticipates different kinds of actions and self presentation than Mercedes, that sponsors art-house films and features gadgets with more advanced design (through their alliance with Swiss watch-maker Swatch, among other things). These coordinates all move at the very abstract level of ‘mood’ and ‘feeling’. Unlike Fordist advertising, what to do with the object, how precisely the BMW or Mercedes is supposed to enter social relations is never explicitly spelled out. Rather it is a matter of making the object resist certain uses, and invite others. Consequently, media politics is about policing the public visibility of
undesirable uses, as in the case of the censorship exercised over films and other media products by commercial sponsors (Wasko, 1994).

At a more concrete level we find the management of consumers’ lived interaction with the branded environment (Moor, 2003). Here brands function as capital in the less obvious sense of an instrument of governance. Like many other instances of contemporary capitalism, brand management makes use of bio-political governance: a governance that works from below by shaping the context in which freedom is exercised, and by providing the raw materials that it employs (Dean, 1999; Hardt and Negri, 2000; Rose, 1999). In the case of brand management this occurs mainly through the construction of particular ambiences that aim to shape what consumers produce.

There are many ways of doing this. Physical space is one medium that has gained in popularity recently. The use of architecture and design to provide a particular commercial ambience certainly has its precedents. It goes back to the construction of 19th century department stores, the design of British 18th century shops, and perhaps even the elaborate spaces of the Ottoman bazaar (Bowlby, 2000). The systematic connection between design and brand management can in turn be traced back to the ‘corporate image’ work performed by design bureaus like Lippincott & Margulies in the 1950s. The most important precursor for the use of physical space in contemporary brand management has probably been Disney. In Disney’s theme parks (as in the Disney residential community Celebration) customer movement, interaction and ‘mood’ is heavily orchestrated to make it produce a particular ambience and experience. As George Ritzer (1999: 90) has shown, this fusion of entertainment and commerce is a growing trend in contemporary consumer culture. He also shows how most such ‘new means of consumption’ rely on the active involvement of consumers to produce the desired experience. In places like Starbucks and McDonald’s customers contribute to the production of the actual service they consume – by clearing trays, filling up drinks and such, but not only. The built environment and the schooled attitudes of personnel also aim to make customers interact in a certain way so as to produce a particular mood or experience (Pine and Gilmore, 1999). At McDonald’s, clowns, brightly coloured uniforms and Disney toys with your Happy Meal encourage the performance of wholesome family fun. At Starbucks, the smoke-free environment, the schooled Zen-like attitude of the ‘baristas’, blues music and books from Oprah Winfrey’s book club encourage the performance of a laid back attitude appropriate to a west coast urban intellectual of the low to middle-brow kind (Elliott, 2001). In super-stores like the Chicago
Niketown the primary scope of the environment is the involvement of consumers in the construction of an experience. They are invited to try on shoes, test athletic gear, to use the indoor basketball court, and to interact with and around the brand. In fact, the primary purpose of the store is not to sell Nike products (as this would give other retailers unfair competition) but rather to provide a space where consumers can interact to perform an experience of the brand as somehow important to, or even part of, their ordinary lives. As Sherry argues: ‘Nike’s brand essence is both embodied in the built environment and realized in apprehension, in an act of co-creation . . .’ (Sherry, 1998: 138; Peñaloza, 1999). The purpose of these spaces is to make consumers produce a particular relationship to the brand.

Similarly, many brand owners have invested in the construction of branded communities. Pioneers in this respect have been British supermarkets like Tesco and Sainsbury’s that in the 1980s created spaces for customer socialization through events like cooking courses, gourmet dinners and wine tasting. Other brands like Jeep and Harley Davidson routinely organize ‘brandfests’ where users can come together, improve their skills at using the product and, most importantly, socialize and create community ties (McAlexander and Shouten, 1998; Wolf, 1999). Similar strategies of involving consumers in producing a dimension of trust or authenticity to be added to the brand are frequent on the Internet. The auction site eBay owes much of its success to the sense of trust generated by a particular rating system by means of which users come to constitute themselves as a community in which social standing and peer appreciation matter. Similarly, amazon.com actively seeks to make users add value by reviewing books and participating in discussions. Future applications promise to take this even further. With a functioning mobile Internet, applications like ‘Real Space’ interactive games will enable users to create a web of alliances and hostilities that evolves in a pre-structured space, both virtual and real. Thus the branded phone (or the provider) can be employed in the production of a new and different kind of ethical surplus (Haig, 2002).

An important part of brand management consists of building intertextual, physical and virtual spaces that pre-structure and anticipate the agency of consumers. Within these spaces consumers are given contours of and raw material for the exercise of their productive agency. Consumers are free to themselves produce a set of social relations and shared meanings – a common. This can be a matter of participating in the creation of a collectively shared experience (like at Starbucks), of adding a dimension of trust to a service (like in the case of eBay) or of creating a local and specific meaningful dimension that contextualizes the branded good in a
particular life situation (as in the case of a particular enactment of a general BMW-style) or that makes it possible to experience the brand as endowed with an authentic meaning in one’s own life-history. (A fond family memory articulated around the Nike brand, a childhood birthday party at McDonald’s.) Brands work as platforms for action that enable the production of particular immaterial use-values: an experience, a shared emotion, a sense of community. This way, brands work as a kind of ubiquitous means of production that are inserted within the socialized production process that consumers engage in. The idea on the part of brand management is that what consumers produce by means of the brand will contribute to strengthening the position that the brand occupies in their life-world. Indeed, it is often argued that attainment of the superior dimensions of brand equity is contingent on this interactive element. It is not the brand itself that counts, but what you can do with it, what you can be with it (Schmitt, 1999). While it is not impossible for consumers to use branded goods in unanticipated ways, the purpose of brand management is precisely to anticipate the ways in which consumers use goods; to inscribe certain ways of acting and relating in them (Lury, 1999). This way, managerial power becomes an immanent component of the very environment in which consumers act. As they become subjects, brands become valuable.

It is not always necessary or even desirable to anticipate consumer agency. Among some consumer groups, like American ‘urban cultures’, global ‘hub-culture’ (Stalnaker, 2002) and among American (and to some extent European and Asian) high school kids (Quart, 2003), the production of social relations and shared meanings quite naturally transpires by means of branded consumer goods, and with high degrees of expertise. These forms of productive sociality can be used as a kind of natural resource for brand managers. Through various forms of ‘guerrilla’, ‘viral’ or ‘stealth’ marketing, goods can be inserted in ‘trend setting’ social circles. It is hoped that ‘hype’ about them will subsequently diffuse naturally. These kinds of marketing techniques are frequently used for cultural goods like records, restaurants and night venues and alcoholic drinks. Alternatively, a branded product can be inserted into a particularly attractive cultural universe, hoping that some of that attraction will rub off. Absolute vodka has done this with American urban gay culture, Nike and Reebok with urban ‘ghetto’ culture. Finally, ‘trend scouting’ uses social life as it naturally evolves through branded consumer goods as a sort of ‘living lab’ from which inspiration and information is gathered and sold on as feedback to advertising agencies and design companies. In these techniques that aim at working directly with social relations (and which Holt, 2002 privileges in his account
of the post-modern ‘branding paradigm’) the autonomous immaterial productivity of consumers is simply commodified as it unfolds ‘naturally’. This can occur either by ‘farming out’ the diffusion of a branded good, or the construction of a sign value, to a particularly influential or attractive group. Or, as in the case of trend scouting, it occurs through the use of consumer practice as a source of innovation.

Both as innovation and as reproduction, the productivity of consumers adds to the propertied form of life that is the brand. In both cases brand management feeds off the ‘reservoir’ of autonomous immaterial labour that evolves outside of the domain of the firm. By thus subsuming the productivity of the social, brand management works to ensure that the productivity of consumers becomes productive labour. To Marx, ‘subsumption’ denotes the moment in which the ‘labour process becomes the instrument of the valorization process, the self-valorization of capital’ (1990[1933]: 1019). This entails a transformation of the production process so that it is acted out on the premises of the brand. First, brands are inserted into the life-world as means of production, and consumers are encouraged to use them in their production of an ethical surplus. Then two strategies are possible: one, it is ensured that the ethical surplus thus produced evolves in particular directions, towards the reproduction of particular forms of life that can be embodied and anticipated by the brand and its logo; two, the autonomous productivity of consumers is used as a source of innovation. Most brands use a plurality of techniques to thus ‘farm out’ the production and reproduction of the form of life that they embody to the productivity of the social. For the big brands, with a lot of resources at their disposal, the ideal is ubiquity: To make the brand part of the biopolitical environment of life itself, no different from water and electricity, and to thus make life in all its walks contribute to its continuous and dynamic reproduction. As Ira Herbert, former marketing director of the Coca-Cola company, described this strategy: ‘the ideal outcome . . . is for consumers to see Coca Cola as woven into their local context, an integral part of their everyday world’ (Curtin, 1996: 187).

HOW BRANDS GENERATE VALUE

So far we have concluded two things. First, contemporary consumers tend to engage in activities that can potentially function as immaterial labour. They deploy consumer goods and a generally available media culture to produce an ethical surplus in the form of a social relation, a shared meaning or, more generally, a common. Second, brand management contains a series of techniques by means of which this autonomous
productivity is posited as immaterial labour. It is made to add to the form of life that the brand embodies, either through innovation or through reproduction. If we can agree on this, we can now go on to investigate how brands generate value.

This entails looking at the process from the point of view of the self-valorization of capital. Marx describes this process with the M–C–M’ formula, where M represents money (or liquid assets) invested into capital (C) that generates more money (M’). The surplus value (M’–M) derives from the subsumption of some form of human activity and its positioning as labour power. In the case of brands the M–C phase would represent investments in the construction of brands as a virtual entity. This would include the design and production of products, the organization of distribution, advertising and other media strategies, investments necessary for the construction and running of themed environments, and the salaries of brand managers to organize and run the brand. To some extent the labour of brand managers and other symbol analysts directly contributes to the value of the brand. (Oliviero Toscani’s photographs directly add to the value of the Benetton brand.) But in most cases the task of brand managers is to manage a production process that goes on beyond their direct control; they organize the construction of different kinds of ambiences and use the information gathered through trend scouting and other kinds of market research to ensure that the ethical surplus produced by consumers adds dimensions of use-value to the branded good. How then are these use-values translated into a general value form?

There are two main mechanisms of valorization. First, successful brands can extract a ‘premium price’. The ‘premium price’ represents what consumers are prepared to pay extra for the branded good in relation to other comparable goods. It represents the monetary value of the use-value of the brand. For example, I might be prepared to pay extra for a pair of Nike shoes if those shoes allow me to perform a high-status personality in the high-school peer culture of which I am a member. Second, brand value is realized on financial markets in the form of share prices or easier access to capital. This mechanism of valorization builds on measurements of the attention devoted to the brand. ‘Brand valuator’s measure things like ‘brand awareness’ (how many people know about a brand), ‘brand associations’ (if the brand gives rise to positive associations) and ‘brand loyalty’. These measurements are usually built on some combination of trend indexes, data mined from credit cards and bar-code scans, and surveys. They attempt to measure the standing of the brand in the life-world of consumers. It is then estimated how much the (measurable) attention accumulated by the brand
adds to its value, by either reducing marketing costs or boosting sales, or, alternatively, raising the attraction of the brand for investors.

Brand values usually build on combined estimates of the future value of premium price and brand attention. In so far as these are greater than the combined investments of brand management, in so far as $M' > M$, then some form of surplus value has been extracted. But what is the substance of this surplus value, and consequently, in what sense can brand managers be said to exploit consumers? If we assume, as this article has, that the substance of the surplus value is the ethical surplus, or the surplus community that consumers produce, then the exploitation process can be said to have both quantitative and qualitative dimensions. From a quantitative point of view it is simply a matter of absorbing the free time of consumers. Schor (1998) among others argues that Americans tend to devote an increasing amount of time to shopping, or otherwise comparing, discussing or caring about brands, at the expense of other pursuits, at the same time as their perceived quality of life deteriorates (Quart, 2003, and to some extent, Putnam, 2000, reach similar results). This time devoted to brands is one source of the surplus value appropriated by brands. But such a purely quantitative approach misses one important point. The branding of life does not so much replace communal or collective pursuits with the individualized pleasures of shopping, as much as it tends to make sociality and the production of a common evolve through and on the premises of brands. People might ‘bowl alone’, but, as Muniz and O’Guinn (2001) have documented, they create brand communities. Brand management is also a matter of altering the quality of the common produced through communicative interaction. The qualitative dimension of exploitation thus consists in making the productive sociality of consumers evolve on the premises of brands; to make it unfold through branded consumer goods in such ways that makes it produce measurable (and hence valuable) forms of attention. But this transfer of consumer agency to the ‘desireable and preferable plateau’ of the brand (cf. Terranova, 2004: 122) also entails a reduction of its qualitative complexity. It entails filtering the creativity of consumers, depriving it of certain undesirable qualities, McDonaldizing it, to use Ritzer’s (1993) expression. Anti-branding activists have realized this and attempt to undermine the power of brands by introducing elements of incompatibility, like having the word ‘sweatshop’ written on your Nikes (Peretti, 2001). In so far as branding becomes ubiquitous, this means that an increasing amount of productive communication will evolve on this filtered plateau of the brand. In this sense the branded world is artificial, in the same sense as a computer game is artificial, it engages its user as less
than a whole person, less than what he or she could be (Manovich, 2001). The critical point here is not, as Adorno (1991) might have argued, that this reduces the beauty of some imaginary or ideal human existence to the one-dimensionality or artificiality of the branded world, but rather that such filtering impedes the very real productive potential of contemporary social relations. According to Hardt and Negri (2004) new forms of mediatization together with new forms of social organization have radically enhanced the capacity of social actors, or, to use their term, of the ‘net-worked multitude’ as a whole, to produce an ethical surplus in the form of a common. This empowerment has also rendered the production of a common immanently political. A different world is not only possible, but actually realized in new forms of productive co-operation like file-sharing communities, open source software and the self-organization of slums (Appadurai, 2002; Žižek, 2005). By pushing this production of an ethical surplus to the artificial plateau of the brand, and hence depriving it of its real potentiality, brand management thus becomes a conservative or even reactive practice. It comes to work against the productive potential of the social, on which it ultimately builds.

CONCLUSION
Recently the concept of the brand has spread far beyond consumer marketing where it originated, to enter into management (corporate branding), welfare, politics and the construction of local identities (Olins, 2003; Van Ham, 2001). Indeed, some argue that brands should be understood as paradigmatic of the post-Fordist mode of production. Like the factory in times of Fordism they present an exemplary embodiment of the prevailing logic of capital (Lash, 2002: 142). This logic consists in an extended recourse to forms of unpaid immaterial labour as a source of surplus value. This way, brands can be understood as exemplary of a capitalist response to the condition of post-modernity, marked by an intensified mediatization of the social and a concomitant rendering reflexive, transitory and mobile of things like identity and community. Here again, pop-management books contain precious grains of truth. Brands, British branding guru John Grant (1999) argues (drawing on Anthony Giddens’ [1991] work), satisfy consumers’ desire for stable elements to be used in the construction of an identity that the social environment no longer provides. He forgets to add that the process of identity production is subsequently subsumed as a source of surplus value. In the form of the brand, the unstable and reflexive nature of post-modern social relations works as a precondition for the self-valorization of immaterial capital. Capital feeds directly off life itself.
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Notes
1. In fact, the shares rose slightly after Mrs Stewart’s appearance. As the sentence was shorter than expected, and as people continued to show their support ‘by buying our products and subscribing to our magazine’, it was estimated that the impact of the scandal was less than what had initially been feared (Financial Times, 17 July 2004).

2. The term ‘affect’ finds its origins in Spinoza where it denotes the subject’s potentiality, its ‘power to act’. It has subsequently been taken up by Deleuze who uses it as a general term for the potential of a body: what it can become through the involvements, linkages and networks that it forms with the Socius. ‘Affect’ here denotes the potential for self-transformation through the involvement with others. Antonio Negri has subsequently used the term to denote the central characteristic of contemporary immaterial labour (see the section on Consumption and Immaterial Labour): its capacity to produce an ‘ethical surplus’ through transformative collective involvement: ‘its power of self-valorization through all the pores of singular and collective bodies’ (Negri, 1999: 80).

3. For these three companies brand value represented 61 percent (Coca-Cola) and 66 percent (McDonald’s and Nike) of total market capitalization in 2001. Other famous companies with a ratio of brand value to market capitalization exceeding 60 percent were Ford, BMW, Kodak, Xerox, Apple, Gucci, Tiffany, amazon.com, and Polo Ralph Lauren (cf. World’s Most Valuable Brands, www.interbrand.com).

4. Although traditional Marxism has tended to identify ‘labour’ in general with (white, male) factory work, there is nothing in Marxian theory that prescribes such a narrow definition of labour. Rather, Marx defines labour functionally. In order to function as ‘productive labour’ human activity must fulfil two requirements. One, it must produce something that has some kind of, however local or specific, (use) value. Two, these local and specific use-values must be translatable: it must be possible to convert them into a more general value form that can be realized on markets. To take one of Marx’s own examples: Milton, who wrote Paradise Lost, was an unproductive worker. Because the particular use-value of that artefact was not immediately translatable into a general value form. (This changed, of course, once someone acquired the copyright to Paradise Lost and began to publish it commercially.) On the other hand, a writer who turns out work for his publisher in factory style is a productive worker. Because the use values that ‘he’ produces (short segments of an Alexander Dumas adventure, for example) are immediately translatable into a general value form: the novel as a commodity. It follows that the translatability of use-values are an effect of how a productive activity is organized, or to use the Marxist terminology: how labour is subsumed under capital. A human activity thus becomes productive labour by being subsumed by capital, by being made to produce something that is, or can be turned into, a commodity (cf. Marx,1990[1933]: 1044 ff.).
5. *Operaio sociale* means ‘social worker’ in English. This is a direct reference to Marx’s term ‘social individual’. In the ‘Passage on Machinery’ in the *Grundrisse*, Marx argues that with the emergence of large scale industry, the key productive power becomes the ‘general social knowledge’ that is embodied in the factory environment. The worker has access to this, not on account of his individual merit, but on account of his simple existence as a social individual. ‘[I]t is, in a word, the development of the social individual which appears as the great foundation stone of production and of wealth’ (Marx, 1973[1939]: 705). For Negri, the social worker employs the general communicative capacity that he or she has access to by virtue of his simple existence as a member of society, as a ‘social individual’. I use the term ‘socializing worker’ to make things less confusing to the English reader.

6. With ‘General Intellect’ Marx refers to the ‘general social knowledge’ that becomes a productive force in advanced capitalism (see note 4). To Marx the General Intellect was confined to the knowledges and competences embodied in the factory environment, in machines, in social organization, in tacit knowledge. Lazzarato, Virno, Negri and other Italian Marxists argue that today the General Intellect should be identified with the knowledges and competences that are intrinsic to the mediated lifeworld in general, and not just the factory environment. In our communicative construction of the social, we employ a General Intellect in the form of common cognitive, communicative and social competences, as well as a common reservoir of knowledge, cultural and social capital. Most of this is available to us through media culture. (Through the commercial mediatization of life, the factory has expanded to include all social relations.)

7. They define the *common* ‘not as a preconstituted entity and not as an organic substance that is a by-product of the national community, or gemeinschaft, but rather as the productive activity of singularities in the multitude’ (Hardt and Negri, 2004: 206).

8. Generally ‘brand image’ denotes consumers' perception of a brand, while ‘brand identity’ denotes the perception that management intends it to have (cf. Aaker, 1991).

9. As Dallas Smythe (1981) showed in his analysis of the audience commodity and its work, it is not necessary that the productive subjects (the workers) be paid a wage for surplus value to be extracted. Smythe treated the use-value of television programs as a form of immaterial wage and calculated surplus value as advertising revenues minus production costs. Similarly, I suggest to treat the use-values derived from the productive use of brands (including, brand-sponsored media discourses and cultural events, freebies, cheaper access to material goods like cellular phones, etc.) as a form of immaterial wage. Surplus value is thus calculated as the difference between the direct production costs of the brand (M-C) and the revenue derived through appropriation and commodification of the attention that consumers produce (C-M).

10. Contemporary ‘critical’ or ‘post-modern’ marketing scholars have not taken up this point. Rather they sometimes equate the creativity that consumers exercise on the programmed arena of brands with human agency and liberatory potential in general (cf. Firat and Venkatesh, 1995).
References


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