Big, Small & Connected Brands

What kind of brand are you – and are you meeting consumers' expectations?

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The Idea in Brief : a new framework

1. The insight

Brands assess themselves against industry rivals – for consumers, the reality is more nuanced. When evaluating the brands in their lives, people instinctively sort them into three cross-industry categories: big brands, small brands, and connected brands – each carrying a distinct set of expectations.

2. The consequence

Too many brand failures are category failures: brands don't know which type of brand they are in consumers' eyes and therefore fail to meet the expectations that come with it.

3. The framework

This article presents a diagnostic framework for identifying your primary brand category and a self-assessment for determining whether you are meeting – or falling short of – the expectations that come with it.

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Introduction: The industry blind spot

It has long been common practice for brands to assess themselves against industry competitors. Puma tracks Nike. Pepsi watches Coke. TikTok looks at Instagram (and vice versa). This is rational, disciplined, and necessary thinking. It is also incomplete: it assumes consumers draw the same map of the competitive landscape that the industry does. They don't.

In 2019, ReD Associates set out to answer a set of questions most brands never ask: not, how do consumers see us relative to our competitors, but *how do they see us relative to everything? What is the role of brands in people's lives, full stop?*

These questions were prompted by a global client who had the intellectual honesty to admit they didn't know. They had grown fast, hit a plateau, and suspected the answer to "what's wrong with our brand?" was not findable inside their own category. They were right.

Combining existing commercial intelligence and deep, observational research in cities across the globe, we sought to get past opinions and into deep mental models and behaviours. We observed consumers over extended periods of time. We walked through their homes and wardrobes with them, accompanied them shopping, watched them browse and deliberate and decide. We looked not at what they said they thought about brands, but at what they actually did with them.

What emerged was deceptively simple. In nearly every market we studied, consumers carried an informal and unarticulated but remarkably consistent mental map of the brand landscape. They didn't sort brands by industry, they sorted them by what kind of entity they were: what role they played, what was expected of them, and what it meant when those expectations were met or broken. This map had three regions: *big brands*, *small brands*, and *connected brands*.

Neuroscientist and marketing author Matt Johnson, writing in *Branding That Means Business* (2022), has since drawn on this study to argue that when brands compete in consumers' minds, they are not competing against their nearest industry rival. They are competing against every other brand in their category of perceived type – for the same sliver of meaning and trust in a person's life.

Writing in 1998, Naomi Klein identified in *No Logo* that brands had become a dominant cultural force in modern life. What our study found, decades later, was that consumers had developed a sophisticated, if unconscious, grammar for navigating that force.

Understanding that grammar and how to meaningfully tap into it as a brand is one of the most valuable things a senior marketing leader can do.

The more a brand can leverage this understanding in the right way – by playing by the rules of the category they're in and also the world or community they're serving – the more they will strengthen their brand as well as their balance sheet.

Big Brands

Pervasive & global

Iconic brands that carry institutional-scale expectations

Small brands

Focused & human

Specialist brands built around one clear promise to a specific world

Connected brands

Dynamic & empowering

Brands whose earned, ongoing relationship with consumers is itself the product

People's relationships to brands have changed significantly

Consumer expectations have intensified

First, since 2020, this categorisation and consumers' corresponding expectations have only deepened – because each of the three brand categories answers a need that has grown more acute. As trust in government, media, and civic life has declined, the biggest brands have inherited a growing share of the public's expectation for stability, direction, and accountability. People prize small brands for nearly the opposite reason: in a market where algorithms push everything toward an uncanny sameness and every purchase arrives amid information overload, a focused brand simplifies decision-making and acts as a signal marker for the consumer and their taste. People embrace connected brands because contemporary life is fragmented, fluid, and complex: a brand in continuous, responsive relationship with them helps them link disjointed moments into something bigger – a community, a routine, an identity, a new level of insight into their own lives.

Connected brand relationships have moved from being marginal to mainstream

Second, the framework's centre of gravity has shifted. In 2020, connected brands were the newest and subtlest of the three categories. Five years on, the vocabulary of relationship – community, fandom, participation, the brands and products people describe as "knowing" them – has moved from the margins of consumer language to its centre. The continuous, responsive relationship that once distinguished a handful of brands has become the contract every brand is now being pulled toward.

AI is reshaping the brand contract

Third, AI – both as a new set of brands and as a new layer between brands and consumers – is about to test every contract described in these pages. As a category, AI assistants are the purest expression of the connected brand contract yet – continuous, responsive, one-to-one – and in becoming the most intimate brand relationship in many consumers' lives, they have reset the standard against which every other brand relationship is now felt. Meanwhile, AI agents that research, compare, and increasingly purchase on people's behalf will expose each brand category to a new level of scrutiny – making every gap between what a brand claims and what it delivers newly legible, and newly consequential.

The Cultural Dividend: A hidden multiplier for any brand

The framework below lays out what expectations each type of brand must meet to become meaningful to consumers. Meeting those expectations fully is harder than it sounds, but the brands that manage it earn more than just satisfied customers. At ReD, we call that return the Cultural Dividend: the revenue multiplier a brand earns when it genuinely meets and leverages its category's expectations and, in doing so, comes to play a meaningful role in the social world its consumers inhabit. A big brand earns it by telling a story consumers actually carry – as Pandora's Stephen Fairchild says, "If you're not part of culture and don't understand it, you will not get a dividend." A small brand earns it by being genuinely close to its community – the long work Kvadrat's Anders Byriel calls learning to "walk the talk". A connected brand earns it through the shared meaning its relationship produces. As Nikki Neuburger notes, brands "cultivate and enable communities... They don't create them and they do not own them." Meet your category's expectations, and the Cultural Dividend is what you get in return.

Big Brands The weight of expectation

Nearly every consumer in our 2019 study instinctively recognised the term 'big brand'. LEGO, Zara, Nike, Coca-Cola, BMW, Apple, IKEA – the examples came quickly, easily, and largely without disagreement across cultures. Ask consumers today and new names surface alongside them: OpenAI, or even NVIDIA – a chipmaker most people will never buy from directly but still know, a sign that 'big brand' status is becoming increasingly indistinguishable from perceived power. No matter the players, big brands continue to share recognisable characteristics. They are large and powerful – usually generating at minimum around $10B+ in annual revenue. More importantly, big brands are iconic. They are pervasive not just in buying habits but in the broader cultural landscape consumers move through every day.

But recognition is not affection, and size is not authority. Big brands carry a specific burden that smaller brands do not: because they have amassed power, resources, and visibility on a scale that was once reserved for governments and institutions, consumers now expect them to behave accordingly.

In a world of declining trust in political leadership, eroding confidence in institutions, and growing anxiety about the future, people have transferred a significant portion of their expectation for direction and accountability onto the biggest brands in their lives.

Big brands at their worst feel distant, stale, self-serving, and ultimately either irrelevant or downright evil. At their best, they can be genuinely inspiring – capable of setting an agenda, anchoring trust, and giving people a sense that someone, somewhere, is doing the right thing with the right amount of power.

The difference between the two lies in how well a big brand meets three requirements:

1. They tell a solid story

The most successful big brands have stories that are spacious enough to accommodate a wide range of products, markets, and time periods, yet specific enough that a consumer who has never been briefed on the brand strategy can still say what the brand stands for. 'Democratic Design'. 'Learning Through Play'. 'Just Do It'. These are not taglines; they are worldviews. And the brands that own them have earned that ownership by making every significant decision – in product, communication, and conduct – consistent with that worldview. The best big brands find ways to make their brand story more solid by continuously plugging it into the global discourse, using new contexts to enrich its meaning and depth. Dove did this in 2024 with 'The Code,' extending its two-decade-old 'Real Beauty' story into the age of generative AI by pledging never to use AI-generated bodies in its advertising. In doing so, they made a worldview Dove has held since 2004 feel newly urgent and reinforced their role as a key shaper of the world of real beauty.

Hermès is the most instructive contemporary example of big brand storytelling. The French luxury house has maintained an essentially unchanged story for nearly two centuries: the primacy of handcraft, the anti-industrial commitment to making one thing slowly and perfectly, the idea that ownership of something rare requires effort, not just money. That story is built into every operational choice the brand makes, from the requirement to develop a relationship with an atelier before accessing a Birkin bag, to the deliberate scarcity of production. And the market has given its verdict: in 2026, Hermès overtook Louis Vuitton to become the most valuable luxury brand in the world – not by chasing relevance, but by refusing to dilute its story no matter how much the world around it evolves.

2. They deliver reliable products and services

Aspirational storytelling without reliable product delivery is the fastest route to a big brand's destruction. Consumers forgive small brands for inconsistency; they do not forgive big brands. The bigger the brand, the more uniform the expectation of quality – not just in flagship categories, but across the full product and service range. Reliability is contextual: for some brands it means consistency of fit and comfort; for others it means durability or safety; for others still it means in-store availability or seamless cross-platform experience. Reliability is also acquiring a new auditor: the AI agents now shopping on consumers' behalf read quality records, not advertising. But the principle is the same; a big brand that cannot be counted on is not a big brand for long.

3. They have a proportionate impact

Consumers today do not want big brands to be neutral actors in the world. They require them to use their power proportionately – not performatively. Performative impact (rushed CSR campaigns, logo-washing, crisis-response activism) is spotted quickly and punished accordingly. Proportionate impact means that the scale and nature of what a brand does in the world is visibly consistent with the scale and nature of what it profits from the world. Patagonia's 2022 decision to transfer ownership of the company to a trust dedicated to fighting climate change is the definitive case study of this principle.

Aspect	*Requirement*	*The diagnostic question*
Story	Solid	Is our brand story spacious enough to grow with us, yet specific enough that any consumer could articulate it?
Product	Reliable	Do we consistently deliver across all categories, not just our flagship?
Feel	Impactful	Does the impact we have in the world match the resources and visibility we've accumulated?

Small Brands
The advantage of focus

Consumers have a less definitive – and more romantic – relationship with small brands. Some equate ‘small’ with local: the neighborhood bakery, the independent bookshop. Others equate it with entrepreneurship: the direct-to-consumer startup, the founder-built specialist. Still others apply the label to any brand they encounter out of context or acquire through non-mainstream channels – the thrift store purchase, the Scandinavian running apparel brand a friend brought back from a trip, the Japanese skincare label a dermatologist recommended. Small brands carry a fundamentally different contract with consumers. Where big brands are expected to be powerful and accountable, small brands are expected to feel focused, human, and close. The risk for consumers in buying from a small brand is that you forgo the assurances of the mainstream big brand: the guaranteed quality, the legible signal, the choice no one can question. The bet doesn’t always pay off. But when it does, the reward is something the mainstream structurally cannot offer: a choice that feels local to your world, and that says something true about you for having chosen it over the mainstream option.

Small brands succeed when they meet three requirements:

1. They tell a straightforward story

Where a big brand story needs to be spacious, a small brand story needs to be straightforward and precise. The most powerful small brand stories solve one problem so clearly that they barely need to say anything else. Athletic Brewing Co. makes great beer without alcohol. Arc'teryx makes technical apparel engineered for the most extreme mountain environments. Bandit makes apparel for the serious amateur runner. The power of these brands comes from the clarity of the commitment they imply, and from the ease with which consumers can pass them on.

2. They deliver products that stand out as special

There are two routes to 'special'. The first is uniqueness – products that help consumers signal they are unique, bold, or ahead of the curve in an age where many experience forces like social media, tech, and globalisation as strong homogenising forces. Bode builds each garment from one-of-a-kind vintage textiles – antique quilts, grain sacks, table linens – so no two pieces are ever alike, turning the constraint of finite material into a guarantee that what you're wearing exists nowhere else. The second is specialisation – the assurance of depth in an age when time and energy is so frequently fragmented. A brand that makes only one type of product, and makes it obsessively well, communicates credibility through constraint. Graza, for example, sells two SKUs of olive oil from a single Spanish region and harvest.

3. They feel close and human

Small brands do not have the resources or reach to drive the kind of global impact big brands can deliver. Consumers know this, and they do not hold it against them. What they do hold against small brands is distance and inauthenticity. The basic expectation is that a small brand knows who it is talking to, that the humans behind it are visible and accessible, and that choosing the brand feels like a two-way relationship rather than a transaction with an anonymous entity.

The most effective execution of this proximity is not a well-crafted founder Instagram story. It is the brand's entire operating model speaking to a specific cultural 'world' and kind of person: the design choices, the collaborations, the language, the things it chooses to care about. When Athletic Brewing sponsors trail races and posts race reports from amateur runners on its social channels, it is enacting the claim that this brand belongs to the world of people who care about performance and presence.

Aspect	*Requirement*	*The diagnostic question*
Story	Straightforward	Can any of our customers describe what we do and for whom in a single sentence?
Product	Special	Do our products signal either uniqueness or genuine specialisation – something consumers couldn't get elsewhere?
Feel	Human	Do consumers feel they know who is behind this brand, and that the brand knows who they are?

Connected Brands

The power of relationship

Connected brands are the most misunderstood category in this framework – partly because the word 'connected' has been diluted by years of overuse in digital marketing, and partly because the category does not map cleanly onto size, sector, or any conventional brand attribute. A connected brand can be large or small, product-based or service-based, physical or digital. What defines it is something different: the relationship itself is the product.

Connected brands are brands whose products, services, and engagement models put them in close, continuous interaction with consumers, to the point where the brand starts to function less like a vendor and more like a fixture of daily life. At their best, they help consumers link disjointed moments and experiences into something bigger, like a sense of community, routine, identity, or personal growth. Consumers don't always have a name for this experience. But they recognise it immediately when asked. It is the app they open every morning before doing anything else. The running club they actually show up to. The platform that somehow knows, without being told, what they need next. The mechanism beneath all three is the same continuous, responsive relationship.

The newest – and in some ways purest – members of this category are AI assistants and agents. A general-purpose AI is the connected brand contract we detail below taken to its logical conclusion: maximally dynamic (it builds new value through every interaction with you), maximally empowering (it unlocks capabilities most people could never access alone), and engaged with by choice, on the consumer's terms.

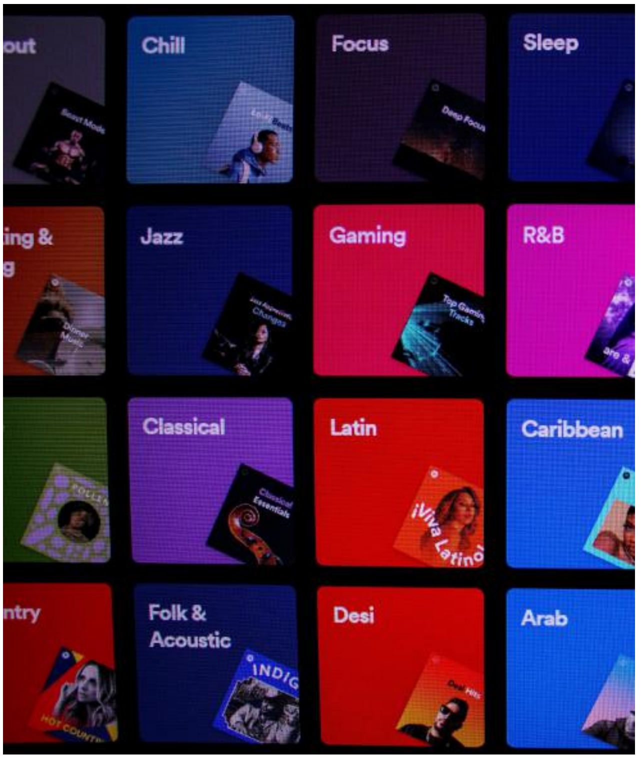
To this end, it's worth calling out that connected brands are not confined to software. Pop Mart, the Chinese collectibles company behind the Labubu phenomenon, runs a connected relationship through physical objects: blind-box mechanics that turn each purchase into a small ritual of anticipation, drops and series that give the relationship a rhythm, and a brand that visibly responds to its collectors – reading which characters they love, and feeding the relationship accordingly. The figurine is the token; the ongoing exchange is the product. That the relationship also produces belonging – a global crowd of collectors trading, displaying, performing their collections – is real, but it is the payoff, not the mechanism. Pop Mart is proof that "connected" was never a synonym for "digital": it is a structure of relationship that can be built out of vinyl as readily as code.

Connected brands succeed when they meet three requirements:

1. They tell a dynamic story

The connected brands that consumers speak most highly of operate on a logic of accumulation – they make every interaction build on the last. Each exchange teaches the brand something, and the brand puts it to work, so the relationship compounds rather than resets: it has memory, and it gets more valuable the longer it runs. When a brand does this well, its story starts to exist on two levels – an overarching brand story, and a second, personal story about its relationship with you. Spotify has long been the canonical example. Week to week, Discover Weekly turns your listening history into a playlist made for you – each week's listening sharpening the next week's recommendations. Once a year, Wrapped takes the same accumulated history and hands it back as a story about yourself, one you share with others. The loop is generative. The brand gets richer data; the consumer gets a richer experience.

Today, AI assistants take this property to its limit. An assistant that remembers your context, your preferences, and the last thing you asked is a relationship that is almost pure accumulation – every exchange sharpening the next.



2. Their products are empowering

Connected brands remove friction from something consumers care about or unlock possibilities they couldn't access alone — and the deepest versions take something once gated, by cost, expertise, or access, and open it up. Strava gives recreational runners and cyclists the peers, shared routes, competitive segments, tracking tools, and personal analytics that used to require club memberships or expensive coaching relationships. Duolingo makes language learning achievable in five minutes a day. Oura and Whoop put the kind of granular physiological data – recovery scores, strain metrics, sleep quality analysis – that was once available only to professional athletes and sports medicine or sleep labs directly onto the wrists of anyone willing to pay a monthly subscription. In every case, the brand is not the star of the story. The consumer's growth, access, or sense of belonging is.

3. They feel unobtrusive

This is the requirement most easily missed and most consequential when broken. The moment a connected brand feels like it is extracting more than it is contributing – through intrusive data practices, relentless push notifications, or engagement mechanics that feel manipulative – the relationship collapses. Whoop's product design makes this philosophy literal: the wearable has no screen. It sits on your wrist around the clock, collecting data, and surfaces insights only when you choose to look. It never interrupts. The brand earns its continuous presence in your life by asking for nothing in the moment and delivering something meaningful when you do engage. Some would argue however that the obtrusive look of the Whoop is a key driver of ground ceded – Oura arguably does all this even better, delivering a similar experience but through an unobtrusive piece of jewellery.

At their worst, connected brands are invasive, extractive, or dependent on lock-in; the dynamic becomes manipulative, the empowerment becomes dependency.

It is striking how neatly the major critiques of AI sort into exactly these categories. The fear that these systems are engineered for engagement over wellbeing is the dynamic turning manipulative. The fear that they erode memory, attention, and the capacity to learn is the empowering requirement veering into dependency. The fear that they displace human judgment, contact, and work is the unobtrusive requirement inverted – a brand that takes the place of things rather than earning a place beside them. The public's anxieties about the most powerful connected brands ever built are, almost line for line, the connected contract's three obligations being broken.

This reframes what the leading AI brands are actually competing on from capabilities to the contract with the consumer: whose relationship feels least manipulative, least dependency-inducing, least displacing. Anthropic has made that competition explicit — building its brand around safety, interpretability, and restraint, and treating the avoidance of these failure modes as the product rather than a constraint on it. In the connected category, the relationship is the product, and the brands that endure are the ones that take its obligations most seriously.

Aspect	*Requirement*	*The diagnostic question*
Story	Dynamic	Does our brand continuously respond to and evolve with consumers, building a cumulative relationship that incentivises loyal engagement?
Product	Empowering	Do consumers feel that interacting with our brand unlocks something they couldn't access without it?
Feel	Unobtrusive	Do we earn our place in consumers' lives – or do we demand it?

Brands in the age of agents

There is one other development that cuts across all three categories and deserves its own treatment: the arrival of AI agents that research, compare, recommend, and increasingly purchase on consumers' behalf. For the first time in the history of branding, a growing share of brand encounters will increasingly be mediated by machines acting on a human's instructions. Each brand category is exposed to this shift differently.

For big brands, agentic intermediation is, on balance, an advantage – provided the fundamentals are real. Reliability, the second big brand requirement, becomes machine-legible: an agent tasked with finding "the best option" will surface consistent quality, strong service records, and coherent product ranges with a ruthlessness no human shopper could match. What agents will not transmit is unearned aura. This rewards the genuinely reliable and punishes the merely famous – which makes agents, depending on which kind of big brand you are, either the best thing to happen to the category or the worst.

For small brands, agents cut both ways. They make discovery dramatically easier, but only for brands that are clear about what they are and who they are for. A brand that can finish the sentence "we make X, for people who Y" becomes the precise answer when a consumer asks an agent for exactly that. At the same time, continuing to feel special, close, and human in this environment will take more deliberate effort than it used to – including offline, in places an agent can't reach. The small brand's task in the age of agents is therefore two-sided: get clear enough to be effortlessly found, and work harder than ever to remain the thing worth choosing once you are.

Connected brands face the strangest fate: the risk of being disintermediated by something that looks very much like themselves. An AI agent can be extremely dynamic, empowering, and unobtrusive – which means it could quite easily displace a huge share of connected brand relationships, especially those that are shallow or transactional. A bank whose relationship amounts to “move money, check the balance, pay the bills} becomes plumbing the agent operates – the brand recedes behind the assistant doing the banking. A publication that merely delivers information rather than a voice, a ritual, a worldview, or a sense of belonging will see visits to its webpage greatly diminish as LLMs extract and synthesise what readers need from them. A multi-brand retailer whose value was aggregation and curation gets out-aggregated by an agent shopping every retailer at once. The connected brands that endure will be the ones who deliver community, identity, or other sources of meaning that cannot be reproduced by an intermediary. You can, for example, ask an agent to log your run, but you cannot ask it to be your running club.

As AI adoption continues to unfold, the essential point is this: *it raises the price of incoherence*. Every gap between what consumers expect of a brand and what it delivers becomes more legible, comparable, and consequential.

A Self-Assessment What kind of brand are you?

The framework described in this article is not only a classification system but a diagnostic. Its value lies in creating the conditions for an honest conversation between what your brand believes about itself and what consumers actually experience.

That conversation has three parts.

Step 1: Who do you think you are as a brand and where do you want to go?

The first part of the self-assessment is internal: what kind of brand does your leadership team believe you are, or intend to be? This is not always the same question. A brand that has been primarily a big brand for decades may aspire to become more connected. A small brand that has grown significantly may be navigating the transition toward big brand status. These are legitimate strategic positions – but only if they are acknowledged explicitly.

This is where the gravitational pull of the connected brand does its damage. The most common mistake is to chase the mechanics of connection (an app, a loyalty program, a "community") without the substance that earns them, and lose sight of your primary brand category in the process. When WeWork, Peloton, and Glossier called themselves "tech companies" in the late 2010s, what they really meant was that they aspired to be connected brands. Today's rush to declare oneself an "AI company" is often the same wish, dressed in whatever language the moment makes prestigious. The label is easy. The relationship is not.

Step 2: Do consumers think you are meeting those expectations?

This question cannot be answered from inside the building. Brands – especially those with strong internal cultures and long histories – tend to be wrong about how they are perceived. In the study behind this framework, a client team confidently answered 'yes' to all three big brand requirements, only to discover through fieldwork that even consumers who loved the brand were deeply confused about its story, disappointed by inconsistent product quality in key categories, and entirely unaware of its impact investments. The gap between internal conviction and consumer reality was significant.

To determine your primary brand category from the consumer's perspective, there is no substitute for deep consumer insight: qualitative research, social listening, brand tracking, customer interviews, ethnographic fieldwork.

For each category below, score your brand honestly on a 1-3 scale (1 = clearly not; 2 = partially; 3 = clearly yes) based on what your consumer research tells you – not what you believe internally.

The highest-scoring column is your primary category in consumers' eyes. Most brands map mostly to one, even if individual characteristics or initiatives cross over. That dominant category is the one to design around.

	BIG BRANDS	SMALL BRAND	CONNECTED BRANDS
Story	Is our story solid and spacious?	Is our story sharp, focused, and specific?	Is our brand relationship itself the story?
Product/ experience	Do we deliver reliably across all categories?	Do our products feel genuinely special or specialised?	Does engaging with us consistently empower consumers?
Role	Do we have proportionate impact in the world?	Do we feel close, human, and accessible?	Do we show up in consumers' lives without demanding their attention?

The most dangerous position: *Not having one*

The temptation, when faced with a framework that describes three types of successful brands, is to pursue all three simultaneously. To be a big brand with a solid story, a small brand's human touch, and a connected brand's engagement model – all at once. This is an understandable aspiration.

Consumers are not opposed to complexity in brands they love. And in fact, most sophisticated brands do play across all three categories. A big brand's app or membership program typically lives or dies by connected brand rules. Its franchises, seasonal concepts, and sub-labels can and sometimes should behave more like small brands: a straightforward story, special products, close feel.

But consumers do require brands to have a primary identity: something that tells them how to think about the brand, what to expect from it, and what it means to choose it. Without that primary identity, everything a brand does feels like it's trying too hard, or trying to be something it isn't. The trust erodes. With it, category-crossing reads as looseness. Hermès can run scarcity and intimacy mechanics that look borrowed from the small brand playbook, and the moves feel coherent, because a two-century big brand story governs them.

The deepest lesson of this research is about conviction. The brands that consumers trust most are the ones that seem to know, at some fundamental level, exactly what they are – and that deploy the other categories' tools from that position of clarity, rather than in search of one.

The question is not: which type of brand should we be?

The question is: which type of brand are we already and are we meeting – and harnessing – the expectations that come with it?

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