

Brand equity research: questions we hope to answer shortly

Our brand equity research approach

Our brand equity research program is built up from understanding buyer behaviour patterns. Knowing how people buy provides some immediate insight into how the thoughts and feelings people have about brand can (and can't) influence buying behaviour. An example such past work is our report "Brand salience: What it is and why it matters" and in the complementary seminar on Brand Salience we have been giving to sponsors around the world.

We examine thoughts and feelings in consumer memory from a number of different perspectives. At a strategic level we aim to establish what is important; at a technical level we look at measurement issues; from an effectiveness perspective we work to establish metrics that are both important, have context for interpretation and are diagnostic. We also use this framework, and the prior knowledge we have built up, to examine different brand strategies that can be employed and the degree marketers should adopt or ignore them.

Some of the newer projects examine good branding from a tactical perspective; brand/product placement in TV programs; the consumer-based brand equity of private label brands; how concentrated is a brand's knowledge across its user base; and what to expect and how to analyse negative brand perceptions. The following describes a few specific areas where we hope to have findings out soon to sponsors.

A sample of the questions we are tackling

What is good branding? Does this have to be at the expense of excellent creative?

While the brand name is present in all advertisements, there is considerable variability into the strategies for communicating the brand and the degree to which it dominates the advertisement. This research will provide a framework for being able to decompose the branding presence in advertisements; global benchmarks that can be used to compare new campaigns; and insights into more or less effective methods for branding. As an adjunct to this research we will explore the relationship between ad likeability and good branding - to determine the conditions that complement or compete with each other.

What are potential distinctive qualities for brands? What makes a brand stand out from its environment and be noticed by consumers?

Marketers have two options to communicate the brand name; the first is the brand name; the second is via distinctive qualities. These distinctive qualities are ways of branding without the brand name. In this project we examine what elements do consumers use as branding devices; which are more common or more effective.

We also set out the criteria for something being able to be considered a replacement for the brand name. Our initial results highlight the importance of colour as a device to make the brand identifiable and stand out, which has major implications for packaging changes and selecting colour options for new brands.

As private label strategy changes, how has this changed consumer's perceptions of private label brands?

Historically the private label marketing world was simple. Private labels were consistently unadvertised, low priced options that were nearly or as good as national brands. But now retailers are seeing private labels as sources of driving shoppers to their store and profits and are employing a wide range different strategies to develop their private labels. This includes advertising the private label and launching private labels at different price points. Some of these activities are at odds with how consumers traditionally perceive private labels; and may also be at odds with the store's own image. This has the potential to cause confusion in the eyes of consumers, which may impact on their perceptions and behaviour towards private labels.

This project explores (a) the different private label strategies employed by retailers around the world; (b) how consumers perceive Private labels compared to (advertised and unadvertised) national brands; and (c) the degree to which the customer perceptions are influenced by the strategies employed and the store image.

How do we reliably measure brand salience? What are the underlying metrics and their relationship with marketing and advertising strategy?

In this project we detail the method for developing a valid and reliable measure of brand salience; and its link to future buyer behaviour. Moving away from the cruder top-of-mind awareness approach we have identified the key criteria to capture the propensity for people to think of the brand.

We also use the NBD-Dirichlet model to provide normative benchmarks and diagnostics which can be used to understand how the brand competes to be considered and quantify the impact of different activities on brand salience. This new use of the NBD-Dirichlet model further extends it from modeling in past consumer purchases in static markets to potentially predicting market dynamics.

How many consumers really reject brands? Are former users easier to win back than those who have never tried the brand?

Acquiring non-brand users is important for maintaining and growing market share. However it is often forgotten that non-users comprise two diverse segments - those those have used the brand in the past, but no longer do so; and those who have never tried the brand. The former user group has past usage experience, and considerable brand knowledge but has behaviourally rejected to the brand.

This leads to the question - to what extent is this stimulated by negative perceptions and/or do negative perceptions build after ceasing to use the brand. Given these past users have potentially considerable positive and negative thoughts and feelings about the brand, how does this influence future consideration propensities? How many of those who have never tried the brand have actively rejected it?

For any further questions on these research topics, contact Dr Jenni Romaniuk at Jenni.Romaniuk@MarketingScience.info