

It's horses for courses when it comes to developing a relationship with consumers

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How bonding drivers vary across different types of brands

From our own relationships with brands we know that often we like them for different reasons. Analysis of the BrandZ database indicates that broadly people will bond (feel loyal) to different brands for several different reasons – emotional connection, rational benefit, price, leadership, difference and/or popularity – and what is suitable for one brand may not necessarily be suitable for another. A global analysis of over 9000 brands from the BrandZ database has uncovered the relative importance of each of these 'bonding factors' to the 'type' of brand it is – in terms of current size and propensity to gain further loyalty within its competitive set.

Each 'bonding factor' is constructed from a combination of relevant image attributes to produce a one number score. For each brand only those who get to the top two levels of the pyramid are included in this analysis – as we are interested in what has got them here. What goes into each factor is outlined below:

BrandZ 6 Bonding factors

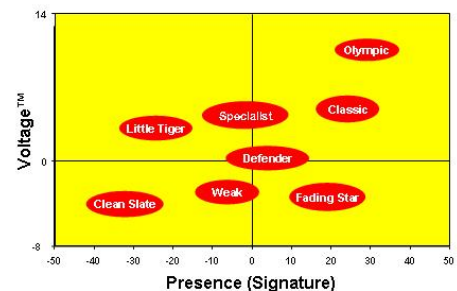
- Difference** - offer something different to other brands
- Popularity** - first mention unaided awareness
- is the most popular
- Leadership** - are growing more popular
- brands that are leaders & setting trends
- Price** - are at a more acceptable price than others
- Emotional** - appeals more
- high opinion
- want to be seen using
- meets needs
- Rational** - relevant performance statements for category (such as 'tastes better' for soft drinks)

How do different 'types' of brands differ?

The 'typology' of a brand is shorthand for its strengths and weaknesses, and the marketing challenges it faces. These have been classified following extensive work using the BrandZ Signature – which demonstrates a brand's areas of strength and weakness at converting people up its brand pyramid relative to competitors in the category.

Differences between brand typologies are clearly shown on the BrandZ map which compares the size of brands (presence) against their momentum (Voltage).

Different typologies typically fall in different map positions



Bearing in mind the different characteristics of the eight typologies it is not surprising that people may bond to them for different reasons – there is not one relationship formula that works for every single brand. An average of each of the one number bonding factor scores has been calculated for each typology to understand which of these factors are most pronounced for each.

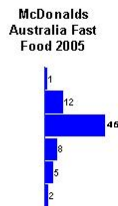
Olympic's – the biggest and strongest brands

Olympic brands are well known and loved with a large core following. They are talked about in everyday life and are part of the cultural fabric of the country. For these brands we can quite clearly see that 'popularity' is the single biggest factor to bonding for Olympic brands, underpinned by 'leadership' – as this example of McDonalds in Australia demonstrates.



Olympic brands

OLYMPIC	Average
Difference	2.95
Leadership	6.60
Popularity	18.30
Price	1.63
Rational benefit	4.50
Emotional connection	5.71
Base:	(C685)



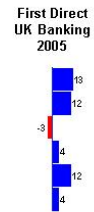
Little Tigers – ones to watch

Little Tiger brands are not very well known compared to the competition but they attract a strong core following amongst those who discover them and are potentially relevant to all. They can be strong for any of the bonding factors. In First Direct's case in the UK – difference, leadership and rational benefit.



Little Tiger brands

LITTLE TIGERS	Average
Difference	5.76
Leadership	6.35
Popularity	4.53
Price	3.17
Rational benefit	5.15
Emotional connection	5.58
Base:	(C2300)



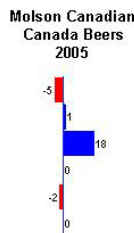
Classic brand – good but not great

Classic brands are also well known and liked, strong brands with a relatively large core following; good but not dominant. Again 'popularity' is clearly an important factor in making these brands classic.



Classic brands

CLASSIC	Average
Difference	1.46
Leadership	3.09
Popularity	6.86
Price	0.41
Rational benefit	2.83
Emotional connection	3.31
Base:	(C1300)



Specialists – strong amongst a core following

Specialists are relatively well known but tend not to be suitable for a mass audience – usually being either too expensive or too cheap. These brands might have difficulty in widening their franchise without alienating their core users. 'Difference' is the single biggest factor in this group, followed by leadership. They also have the highest Emotional affinity scores.



Specialist brands

SPECIALISTS	Average
Difference	8.41
Leadership	7.06
Popularity	5.89
Price	-1.46
Rational benefit	5.87
Emotional connection	6.47
Base:	(C2475)



Clean Slates need to make their mark

Brands which are 'clean slates' have only reached very low levels of awareness and trial. They are irrelevant to most consumers and have few advantages. Again standing out and being 'different' is the key factor to bonding within this group.



Clean Slate brands

CLEAN SLATES	Average
Difference	6.82
Leadership	5.82
Popularity	3.01
Price	3.43
Rational benefit	4.79
Emotional connection	5.13
Base:	(C440)

Taco Shop
Denmark
Fast Food
2005



Defenders occupy the middle ground

'Defender' brands are usually established, acceptable to most but without the strong competitive advantages of true leading brands. They are not in immediate danger and usually have a balance of strengths and weaknesses. Overall their key factor has also become 'price'.



Defender brands

DEFENDERS	Average
Difference	-0.02
Leadership	0.64
Popularity	0.55
Price	1.94
Rational benefit	0.41
Emotional connection	0.00
Base:	(C8175)

Co-op Italy
Grocery
Stores 2005



Fading Star's have lost their competitive edge

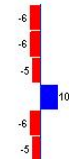
'Fading Star' brands are usually well known but have been overtaken, they are relevant to a mass audience, but have lost appeal and competitive advantage. Their key factor to bonding has become 'price'. Also of interest is the low emotional connection as illustrated here by the clothing brand Baleno in China.



Fading Star brands

FADING STARS	Average
Difference	-3.95
Leadership	-3.55
Popularity	-2.96
Price	1.08
Rational benefit	-3.15
Emotional connection	-4.05
Base:	(C4285)

Baleno
China
Apparel Men
2005



Weak brands – have little to offer?

These brands are well known enough for many to decide they don't like them. Again their main factor to bonding is 'price' and as with fading stars, we see very low emotional connection scores. They will really need to develop more depth to their relationship with consumers to survive over the longer term.



Weak brands

WEAK	Average
Difference	-1.72
Leadership	-1.46
Popularity	-0.51
Price	1.23
Rational benefit	-1.30
Emotional connection	-2.34
Base:	(C3650)

Dodge
Mexico Cars
2005



Across the different typologies we can conclude that bonding for Olympic and Classic brands is most likely to be driven by Popularity while for Fading Stars, Defenders and Weak brands their strongest bonding factor tends to be price (a potentially dangerous ground to be in for long term success). Specialist and Clean Slate brands are more likely to drive bonding by being 'different' whereas Little Tiger brands can generate bonding through any of the 6 factors.

This analysis describes the typical patterns that are seen however, it is important to consider variation in these themes across categories. Little Tiger brands show the most variation across categories, for example:

- Price is a key driver for financial and insurance brands, internet services, motor fuel and mineral water.
- Difference is more important for airlines, fast foods, coffee and soft drink brands
- Popularity is important for media brands
- Emotional connection for telecommunications
- Rational benefits key for petfood brands

Specialist brands also show some variation across categories from their overall highest driver of 'difference'. For example:

- Leadership is particularly important for medical brands, services, insurance, information technology and mineral water brands.
- Popularity is key for media, telecommunications and internet services
- Rational benefits for automobiles

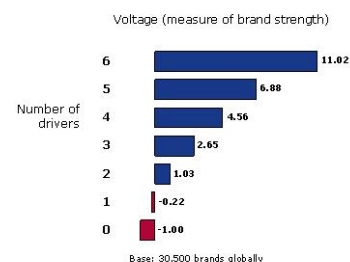
Breaking the mould....

It is important to remember that these results summarise broad trends and the state of the market currently; hence they reflect brands' current marketing strategies.

It is possible for brands to break the mould of their 'type' or even category; after all, one aspect to come through clearly from this analysis is the benefit of being different – different strategies work for different brands.

One thing we do know is that the more involved relationship a brand has with consumers (the more bonding drivers it can harness) the greater the momentum it is likely to have.

The more involved relationship a brand creates with consumers the more momentum it is likely to have



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BrandZ is the WPP funded global brand equity study available to clients and potential clients via WPP owned companies. It is validated against sales and quantifies and diagnoses the strengths and weaknesses of brands.