



MAXIMIZING THE VALUE OF BRAND MEASUREMENT

June, 2016

Healthy Brands Support Business Health

Measuring brand equity is an essential first step in maintaining and improving brand health. Expanding the emphasis beyond Willingness to Recommend or Net Promoter Scores to include strategic measures like Brand Understanding and Preference relative to competition can help focus the organization on the real drivers of business value.

Deep insight into customers and prospects is key to understanding a brand's health and identifying ways to enhance it. A Brand Tracker or Attitude and Usage study is an opportunity to dig deeper with customers, spot trends, issues and opportunities. In many organizations, these studies have become perfunctory exercises, something to check off the annual 'to-do' list. Viewing brand health measurement as an opportunity for quality insights and actionable recommendations requires a strategic approach.

Strategic Brand Health Measurement

Attitude and Usage (A&U) Studies serve two purposes – they enable deep insight into customer needs and how brand address them, and they also provide a baseline measurement of brand equity that can be followed by optional periodic tracking studies. The baseline study provides a solid foundation by establishing tailored, ongoing Key Performance Indicators (KPI's) that reflect the brand's specific goals and opportunities. Brand health KPI's typically follow the marketing funnel and include: unaided and aided brand awareness, brand understanding, consideration or trial, repeat or regular brand usage, and brand preference. KPI's may also include customer decision drivers and brand advocacy metrics such as Net Promoter scores. They typically do not include customer satisfaction.

Ongoing Brand Tracking Studies also serves two purposes – they allow brand marketers to see how well their tactics are moving customers and prospects through the marketing funnel, and identify how to overcome the places

Why Measure?

DEEP INSIGHTS ARE KEY TO UNDERSTANDING AND IMPROVING BRAND HEALTH.

TYPICAL KPI'S

- Unaided awareness
- Aided awareness
- Familiarity (understanding of range of products offered)
- Consideration
- Key levers of consideration in category
- Perceptions of brand
- Strengths & weaknesses compared to other brands
- Ad awareness

where customers are getting stuck. They also evaluate the brand *relative to its competitive set*. One brand may not have done anything new or different since the last wave of tracking research, but the competition typically will have made changes. Tracking research allows marketers to understand how the competition is de-positioning them in customers' eyes while repositioning themselves.

Objectives

A&U studies are a point in time assessment of brand equity. They are valuable in their own right, and can be the baseline for future waves of Brand Tracking.

The goals of A&U studies are actionable recommendations for improving brand health. This includes targeting, messaging and innovation opportunities. Additionally, brands may want to assess customer and prospect response to concept statements, new advertisements, redesigned web pages or even new TV commercials. Knowing who responds best to these stimuli can help in prioritizing targets as well as in fine-tuning the creative itself.

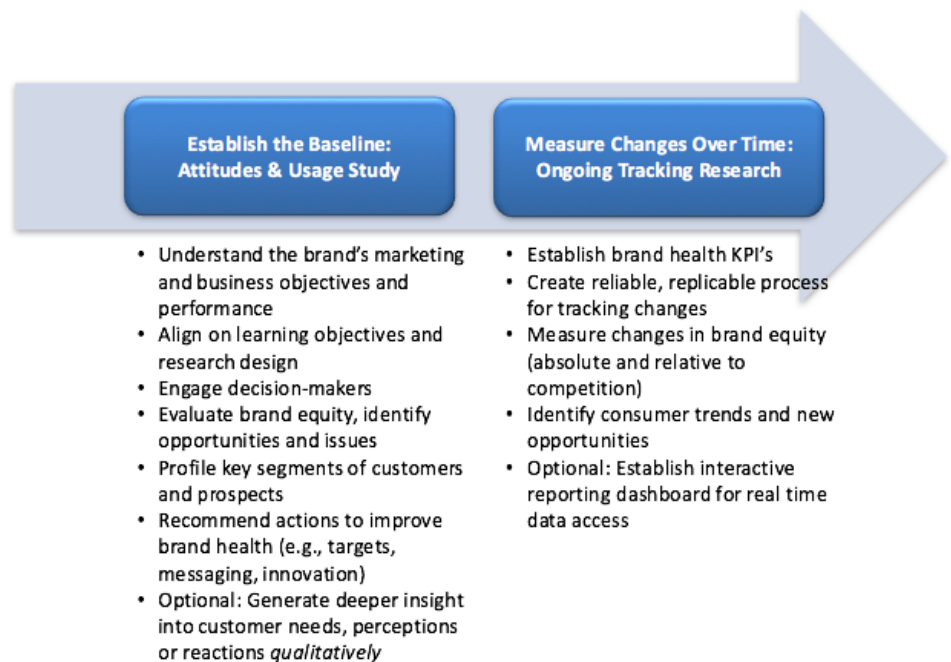
In designing Brand Tracking programs, we take care to establish the most relevant KPI's for measuring changes in brand health. While brand awareness is key for some, it is a given for others. In those cases, brand understanding, consideration, brand preference or advocacy may be more actionable. We also ensure consistency in sampling so that we can be confident that any movements in the results are real, and not artifacts of the research itself.

Finally, real-time access to data through an interactive, reporting 'dashboard' can empower internal decision-makers to make faster, evidence based marketing decisions. We provide this capability as an option and some organizations find it invaluable.

Activities and Timing

The activities involved in each type of project are shown in the graphic. A&U research typically requires 5-6 weeks to complete.

Brand Tracking research can be completed in 3-4 weeks, and the frequency depends on the dynamics of the category itself. Categories that are changing fast deserve more frequent tracking.



Research Options and Costs

Research costs depend on key research design decisions regarding sample size and composition, survey length, measurement frequency and reporting. Each option is discussed below. These decisions are generally dealt with as part of the discovery and design phase.

Sample Size and Composition

A typical online survey sample will include a national base sample of n=1000 and two test market-specific samples of n=300 each per wave. Establishing baselines in key markets can also provide the ability to experiment with the impact of alternative marketing programs.

Skimping on sample is not a good way to save money. Sample is relatively inexpensive and talking to more people results in greater confidence in the findings, implications and recommendations. A large sample size increases our ability to detect even subtle changes and enables deeper analysis of key segments (e.g., high value borrowers, competitive users, etc.) because it allows for more refined cuts of the data and greater specificity in segmentation.

Sample Size	Difference to be significant*
2,400	+/- 3%
1,000	+/- 4%
800	+/- 5%
300	+/- 8%
100	+/- 14%

**Confidence intervals required at 95% confidence at the middle of the percentage range.*

Measurement Frequency

Data can be collected continuously, and aggregated for specific time periods or collected in 'waves.' Both approaches have advantages and disadvantages. Our recommendation is for annual or biannual waves as they are more specific to a point in time. More frequent waves are generally needed only if the market is evolving quickly.

Survey Length

Survey length is a direct driver of cost. Research has repeatedly shown that data quality diminishes with survey length. Our goal is to keep it short, 10-15 minutes max. To do this, it's important to prioritize learning objectives and the brands to be evaluated.

Determining the right number of brands to measure is part of the discovery process and a way to control costs. Depending on the category, consumers may choose from a wide array of alternatives, including both direct and indirect competitors. Evaluating a long list of options is tedious for respondents and can add to survey length and cost, so we work with clients to determine which brands to include.

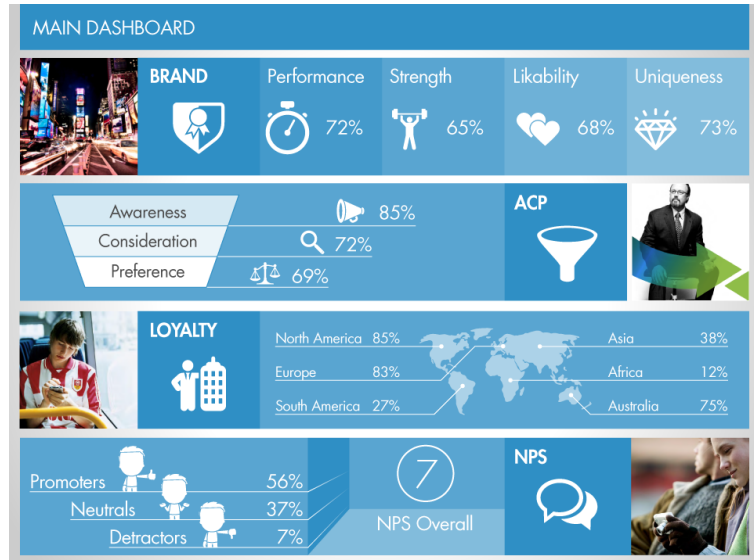
Ad Hoc Questions

One side benefit of periodic Brand Tracking is the ability to accommodate one or two ad hoc questions in the research. Marketers and brand managers find it reassuring to know that research is being fielded and that they can get the latest 'burning question' answered for minimal or no additional cost.

Real-Time Data Dashboard (Optional)

An online dashboard allows easy client access to data via an online portal. The portal can be customized to and allow access to up to 20 individual client users.

The images provide samples of a main dashboard, a brand funnel dashboard and longitudinal dashboard. In each case, the data can be filtered by time period geography, product, respondent characteristics and brand for deeper analysis.



Costs

Costs include professional service fees and out of pocket expenses. The typical professional services fees provided here are based on recent studies across numerous clients.

Out of pocket research expenses can vary depending on the sample options discussed above. Generally, B2C studies can be accomplished for \$6-8 per completed survey, with B2B samples costing \$12-\$50, depending on the difficulty of targeting customers and prospects.

Typical Professional Services Fees

Attitude & Usage Research	\$50,000
Ongoing Brand Tracking Research	\$25,000

Real-time Reporting Dashboard Costs (Optional)

One time set up and software	\$50,000
Annual software fee	\$8,000
Software usage fees	\$4/interview

About Us

We are highly experienced in tracking research. We are members of ESOMAR, the world's premier market research organization and adhere to their guidelines and ethics requirements.



Clients

Recent A&U and Tracking research clients include eHarmony, J. Crew, Madewell, Concur, Ace Hardware, Outward Bound, Houlihan's, Triplt, Jet, and Angie's List.

Carol Phillips, President

Carol is an experienced market researcher with deep expertise in brand strategy and brand measurement issues. Her experience spans leading agencies including Leo Burnett, Y&R, JWT and Mullen, as well as in-house roles at Whirlpool and AtMadison.com. Since 2003, Carol has served as Adjunct Professor, Marketing at University of Notre Dame, Mendoza College of Business.'



Judy Hopelain, Partner

Judy is a strategic marketing executive who has held leadership roles in multichannel specialty retail and has over 20 years of hands-on consulting experience helping position companies for market-place success. She was a member of the leadership team at The Boston Consulting Group, Accenture, Prophet Brand Strategy, Patagonia and Illuminations. She is on the Marketing faculty of the Haas School of Business at University of California, Berkeley.

Martin Predd, Research Director

Marty has extensive qualitative and quantitative market research as a result of over 8 years with Brand Amplitude. He leads all engagements involving surveys, online focus groups and quantitative design and analysis and is an expert focus group moderator.