

## BRAND EQUITY AND HEALTH

Building brands scientifically starts with a comprehensive understanding of customers and non-customers alike. Knowing their needs and emotional brand connections, along with a view of a brand's fit in the category landscape, can inform more than just a historical view of brand equity; it can show how to create a healthier brand.

Through Knowledge Networks' extensive brand building insights, in combination with the web-enabled KnowledgePanel<sup>®</sup>, we have created a framework for determining the strength of the connection that consumers have with a brand and its competitive set. The framework identifies meaningful consumer/brand associations and provides you with a quantification of the key drivers necessary to evaluate the effectiveness marketing actions, vulnerabilities and opportunities.

The indicators we focus on are:

- Overall equity and health for your brand and your competitors
- Awareness, familiarity and category placement as “gateways” to brand relationships
- Consumer beliefs regarding your brand performance and imagery (functional and emotional components)
- Key drivers of current overall equity and health and leading indicators of brand momentum

Using this information, we provide strategic and tactical input to enhance your brand relationships and overall brand equity and health.

Ours is a flexible suite of capabilities that can accommodate your brand objectives and inputs and can be adapted to your industry and target consumers. With our diagnostic database and web-enabled consumer panel we can assess a variety of drivers and brands. Among the items in our toolkit are:

### Brand Relationship Audit

A comprehensive consumer-centric audit of your brand and competitive set to assess current brand health, uncover the sources of your brand health, and provide strategies to leverage brand equity to improve future brand health.

### Brand Relationship Monitor

Measures the performance of your brand over specific time periods, monitoring key measures of brand health/key equity drivers to assess the impact of marketing/communications/promotions.



## Our Perspective

The power of a brand resides in the minds of consumers. It's much more than just awareness or recall. It's about building and maintaining distinctive relationships with your customers, and over time, developing a deep and powerful connection when your brand is fully "in synch" with consumers' needs, wants and preferences.

"Loyalty" for us is a behavioral outcome, not an attitude or an attribute of a brand, whether functionally or non-functionally defined. Nor is "loyalty" merely a stated preference towards a brand. Loyalty, rather, is a pattern of behavior we, as researchers, are trying to explain and predict through our research. Loyalty is a pattern of behavior your brands are trying to enhance among current and potential customers through current and future business activities as a result of the insight and understanding gained from brand research.

Our understanding of brands needs to focus on both functional and non-functional benefits the brands deliver, or fail to deliver. KN believes it is possible to derive generic measures of functional benefits, developing relevant and specific measures for each category and product, though obviously certain measures are commonly used (for example, innovative, high quality, reliable). Functional benefits or performance can be seen as "necessary" but not "sufficient" to determine brand choice.

Nonfunctional aspects are increasingly the key to the differentiation customers themselves see among alternative brands in the marketplace. The perceived delivery by the brand of superior non-functional benefits is what closes the sale for the customer.

Brand researchers also can be greatly frustrated at the extent to which expressed customer preferences (attitudes) do not match up with the actions customers take in the marketplace (behaviors). We believe these critical inhibiting or intervening ("extrinsic") factors need to be accounted for — pre-existent consumer dispositions as well as distribution/availability issues. Measuring these "filter" issues systematically and thoroughly enables better understanding of the real-world dynamics actually driving customer choice in the marketplace.

If you would like to learn more about Brand Equity and Health, please contact:

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