WHAT CAN YOU TELL ME ABOUT THE DEVELOPMENT OF BERA? WHY WAS IT CREATED?

Brands and branding are of course, by nature, anchored in differentiation, at least they need to be if they are going to survive. So we took the same approach with BERA. It had to be different and had to be remarkably valuable to the intended audience. The goal was to create an interactive and holistic planning tool that could mitigate institutional blindness and finally bridge the gap between marketing and finance.

BERA’s point of departure from any other brand equity platform is its marriage of a real-time cloud based consumer feedback loop with financials so marketers can course correct for today and tomorrow.

Because BERA is both highly granular and widely comprehensive, it gives marketers the best chance of short-term and long-term growth.

Almost all clients see and manage their brands categorically. They don’t see their brands agnostically, as consumers do. I think this is a big mistake. Dominance is categorical. But brand love is relative. It must be earned, heard and measured constantly. Whether you’re seeking an early warning, or looking for early signals of a breakout opportunity, BERA’s weekly analysis of brand rankings within and beyond the category quantifies the effectiveness of your tactics.

As the largest provider of brand insights in the world, with some 4000 brands in 200 categories with 1 million participants each, in 87 countries, BERA can provide the missing pieces for clients tasked with building, maintaining and resurrecting brand love.

What does a brand’s rank and ‘stage of development’ mean and why is this so important for both marketers and financial people to know?

Understanding the brandscape beyond your own category may be humbling, but it’s critical to managing brand love. For example, discretionary spending is tight. Customers saving to purchase a smartphone may cut back on purchasing your brand. In other words, achieving brand love is not the end game because brand love is relative across the many product or service relationships that the consumer has established.
Leading, highly profitable global brands have well-established emotional connections with customers that secure the brand’s profitability. These brands have much higher shareholder value making them ten times more valuable to shareholders than brands with equivalent sales but ones that may have more tenuous customer relationships. This emotional connection correlates at 90% of shareholder value and is the most powerful protector of profitability to the longer term. Our global brandscape demonstrates that customers lose their emotional connection with a brand long before it is depicted in CFO financial reports. Just as sales and margin reports do not predict the future, strong awareness and satisfaction ratings can be masking a loss of engagement with consumers. Over time your consumers can become bored with your brand, or worse.

The relationship the consumer has with your brand, like all other relationships, should be thought of as human - with the same highs and lows of love over the long haul. Meaningfulness. So one needs to identify it early and take action to avoid further erosion. It protects the relationship. If I make my wife a special surprise dinner or bring her flowers, because I want to, rather than need to, that’s a pretty good step towards protecting our bond.

How does a company know if its brand is delivering against consumer expectations for both today and tomorrow?

It’s important to remember, just like in personal relationships, that brand love is not a resting place. It is a launching pad. To ensure relevance and competitive advantage throughout the lifecycle of the brand, you must sustain the love you’ve achieved by continuing to work at the relationship. This means continuing to surprise and delight consumers through innovation, new adjacencies, and raising the bar regardless of category.

In a world of long cycle headwinds, it is increasingly difficult to make the case for long cycle marketing campaigns. But, when the outcomes can be predicted, tested, and quantified in the hundreds of millions of dollars of potential shareholder value, the internal approval process is far better able to allocate resources to support the long term.

In all great relationships, ongoing balanced dialogue is critical. It’s important to know when to talk...and when to listen.....right? We’ve all been there.....you know, at some cocktail party or industry party and you end up standing next to someone who just talks your ear off. They talk about themselves endlessly and it’s just painful. You immediately start to plan your escape; you just can’t get away from them quick enough. What we’ve found with the BERA data is that many clients simply don’t know that they are talking too much. Just like the cocktail metaphor, the conversation is off balance and as a result, the recipient gets frustrated and turned off. Great conversation is like a dance that both parties enjoy. That’s where you need to get to, and that’s where you want to stay. And it all starts with being a really good listener.

What are the brand economics of “Love”?

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Premium Pricing is driven by Competitive Uniqueness.

Volume is driven by the degree to which the relationship is meaningful
What are the brand economics of finding and staying at love?

There are two parts to this question really.....firstly, there is the balancing of pricing power and volume potential. Brand love creates demand curves. Based on a product or service's connection strength or 'love', marketers either command a premium price - selling fewer goods at greater margins or discount pricing–selling more goods at less profit. Premium pricing is driven by competitive uniqueness. Volume is driven by the degree to which the relationship is meaningful.

Secondly, there is this balancing of relational communication as we were just discussing......talking and listening. There is a threshold of receptivity that must be constantly monitored in order to optimize this balance. That threshold is the gap between brand cognizance and brand curiosity. Do consumers still enjoy getting to know you? Do they still want to learn more about you? And if so, what about? It’s no good to be just talking. You need to be talking about the right stuff.

How should a brand manager prioritize relationship objectives within the marketing mix and why is this important?

To optimize the ongoing relationship and manage profitability today and tomorrow, you have to start with the marketing mix....and here I’m talking about the 5 Ps of product, price, promotion, place, people. But, you must also analyze which P, or which combination of the Ps sustains, maintains or resurrects brand love.....

Is your competitors’ product or service offering more unique or meaningful than yours? Is your messaging and communication creating meaningful awareness, or just knowledge?

Are you getting the right channel placement? Is the service component of your offering causing customer rejection? Has your promotional discounting eroded your brand equity? Are you meeting the delivery threshold against that particular mix on an ongoing basis? Wouldn’t you want to know that answer weekly or at least monthly, so you can course correct before the relationship suffers or goes bad?

So..... BERA has the capability of monitoring and quantifying how your brand is doing against the “five Ps” on a weekly basis. But what’s really key is that BERA is not just a brand tracker. BERA incorporates the metrics provided by a traditional brand tracker with a suite of forward-looking indicators and analytics that predict future growth and profitability and stimulate ideas to improve on the predictions.
Why is knowing the individual size and profile of a company’s engagement segments so critical for Chief Marketing and Financial Officers?

Who makes up your customer segments? How many segments are there? How much are they individually worth? What are their priorities for engagement? Brands that achieve love have a significant percentage of loyal customers in their base... usually about two-thirds. What makes loyalists loyal, why do switchers switch, why do rejecters reject, and why do prospects engage or not? If you know the size and impact of each profile, you can convert one segment to another and increase your business.

Marketers make money by understanding what makes a customer loyal or what causes a once loyal customer to become a “switcher” or drop out altogether. When BERA’s engagement data is then matched with a brand’s financial profile, it is possible to calculate the marketing elasticity required to drive profitability, growth, and value. We think that’s pretty unique, and important.

How does a company’s social footprint fit into all this?

A third of online attention is spent on Facebook, the world’s largest social platform. The biggest challenge marketers are facing is... how do I monetize the engagement of my fans? Everything I’ve told you so far is applied when answering this question. Through BERA’s integration with MicroStrategy’s Wisdom Application, we are able to link fans to the relationship lifecycle, and measure the strength of that relationship with your brand and your competitors’ brands. Once those relationships have been defined, you can pull the appropriate lever and move those fans efficiently through the lifecycle to love. This was a big consideration when we were designing the robustness of the platform—the integration and optimization of the social piece.

You talk about brands being in ‘neighbourhoods.’ What does this mean exactly and what’s the learning that can be applied?

As mentioned before, brand value and brand love are relative. A brand could be number one in its category yet still rank among the least loved brands in the greater universe. Being a top brand in a commodity category gives marketers a false sense of security. Dominance does not buy love. Seeing the traits of brands outside your category but inside your neighborhood imparts invaluable learning about best and worst practices. It’s this agnostic intelligence that is so enlightening.

You talk about the overall BERA ‘brandscape’ and the biggest winners and losers. Explain this for me.... What can we learn from the actions and behaviour of these brands?

There are many ways to design a profitable brand. The author of the “Profit Zone” has listed over 20 different models that have created profitable and enduring businesses. With a database spanning 200 brand categories, BERA provides successful case studies of brand growth or revitalization that are happening in real time, in categories you may not follow. If you are not the highest spender in your category, there is much to learn from the business models and marketing strategies of other “Davids” who successfully took on their own “Goliaths.”

In today’s markets localization is as important as globalization. How does BERA work in regards to building insights and intelligence to enable one to manage their brand’s connection level by geographic area?

As you have noted, having the intelligence at both levels is critical.
It’s about having flexibility and nimbleness. Environmental factors affecting a brand in one country or region may be irrelevant or non-existent in another. And of course we see brands at very different stages of brand connection or love in different countries – you would expect this as different market factors equate to complex customer relationships. What’s critical is having the capabilities to treat these regions, and their respective customer bases differently. What would surprise you is how the levels of connection can vary on the granular level. So it’s having the ability to manage at the micro and macro levels at the same time that’s so powerful. It’s not as much about ‘big data’ and yes, quantifying - but rather, being respectful of relationships. I’m fond of quoting Sherry Turkle, a Ted speaker and MIT Professor who says, “Human relationships are rich and they’re messy and demanding. We clean them up with technology. And when we do, one of the things that happen is that we sacrifice conversation for mere connection. We short change ourselves.” That’s precisely why we’ve built a platform, combining technology and human contact on a previously-unknown scale, with the goal of understanding and building brand love at the epicenter – and having the capability of doing that at the local, regional, national and international level.

Based on the BERA data what is the probability of accelerated growth for a new brand and perhaps even more importantly, what are the odds of resurrecting a brand that has lost its way?

Are you leaving money on the table, not taking on a challenge you could win? Are you wasting money pursuing battles you will lose? Do you know when it is time to throw in the towel and retire the brand? Having access to the world’s largest longitudinal data base of brands enables you to decide which brand decisions are critical and which are less important.

Ryan thanks for your time today. Last question…..if you could take only one action to help a brand find love, what would it be?

I’d listen and observe a lot. We all do it early in a relationship, and then we often start to take things for granted, and it’s the kiss of death. We stop being thoughtful and stop doing the little things that created the intrigue and connection in the first place. So always listen first. BERA enables you to listen on a weekly basis and learn not just from your own relationship with your specific customers, but also by listening and observing hundreds, if not thousands of other brand relationships. Great decisions always start with great knowledge, and that’s what we are attempting to provide.