Ipsos Marketing

Brands Don't Buy Brands - People Do

Douwe Rademaker & Ben Joosen

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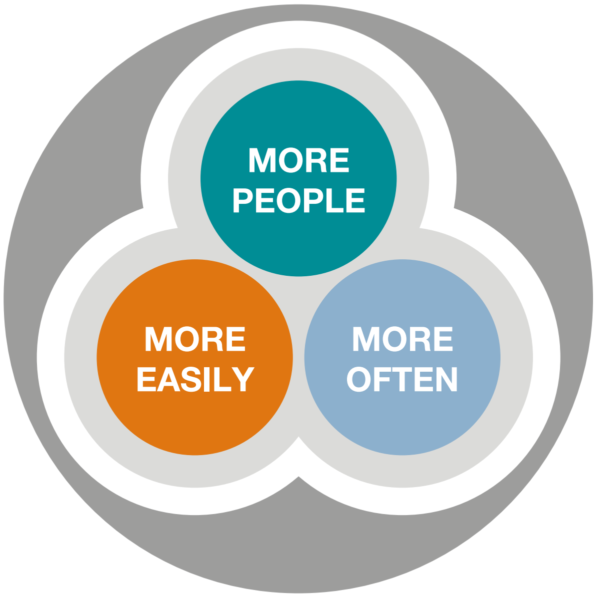
Businesses want to know how they can grow their brands.

This is a simple question with complex answers, answers that start with people in real life – how they choose brands and, most importantly, how you can influence them to choose your brand more.

Brands exist in a constantly changing world and, at the same time, human behaviour is undergoing a revolution – which makes it challenging to manage a brand. In the end, in order for brands to grow they need to attract **more people, more easily** and **more often**. Yet, how can you ensure that more people will buy your brand more often and more easily?

This point of view, validated by research and based on the latest thinking in neuroscience and behavioral psychology, will answer that question.



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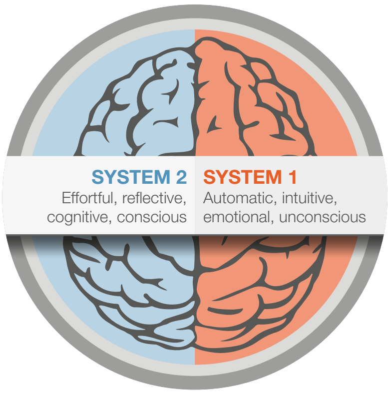
It all starts with how people make choices

At the heart of growing brands is an understanding of how people make choices.

In real life, decision-making is often more unconscious than conscious. People constantly use mental shortcuts to facilitate decision making. In essence, people use what behavioral economics refers to as **System 1** and **System 2** thinking (where System 1 thinking is more unconscious, more intuitive and faster and System 2 thinking is more conscious, controlled and slower).



This affects how people deal with brand choices. Brands don't exist in people's minds as such. They are a unique set of memories, feelings, emotions, thoughts, experiences, images, stories, sounds, colors, symbols, and the like – what we call a mental network. Mental networks connect to System 1 thinking.

This brings us to the areas we can influence when people choose brands, being memory salience and attention salience.

Memory salience is the current mental network a brand has in a person's mind as well as the mental availability of the brand (will people even have your brand in mind at the moment of choice?). **Attention salience** is the ability of the brand to capture people's attention at the moment of choice.

In simplest terms, we can think of memory salience as *being thought of* and attention salience as *being noticed*.

Memory and attention salience will impact brands and people in different ways. Let's look at the Ikea brand. An individual's mental network might include the blue and yellow colors, finding his way through the crowded aisles, the Swedish meatballs, the memories of the first time buying some furniture there (e.g., when he started a family), the annoyance of putting the pieces together, etc. This all refers to the mental network a person can have of the Ikea brand. But how does attention salience work for Ikea? Suppose you need furniture. Ikea has the catalogue or their regular newsletter. They have big signs posted on the highway. They might even have influenced your family: spending some "quality" time at Ikea. The moment of truth is mainly in the store to trigger purchases with attractive furniture, good prices, etc.

At the moment of brand choice, and at all points in the process, people are influenced by memory and attention salience. Yet, people will not process all incoming information when making choices. Underlying needs and motivations, as well as physical accessibility, will work as some sort of filter: some options will be rejected and other, salient brands will be considered. At that point the "best" option is chosen (which is not necessarily the rational best choice). This is a process everyone goes through, even if entirely unconscious.

Following choice, mental networks may be reinforced or challenged by current and future brand interactions.

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IPSOS R&D: Coming to mind is good. Coming to mind first is better.

Our brand framework is not only rooted in neuroscience and behavioral psychology and economics but also supported by consumer-driven R&D. Specifically, our R&D (which covered 1300 consumers in the mobile phone and beer categories) indicated that:

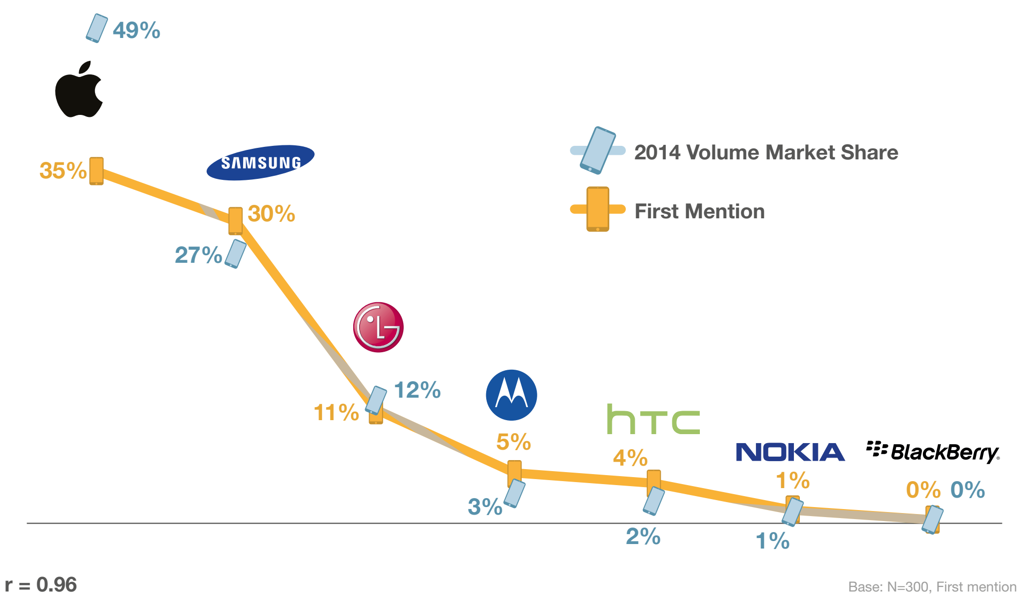
- The **order** in which a **brand comes to mind** for consideration matters
- For a brand to grow, consumers need a **dense and relevant mental network** that is linked to key occasions – so a brand is considered at the moment of choice
- A brand needs to **be noticed** at the moment of truth

Let's look at the results of our R&D. We asked mobile phone users which brands they considered choosing. Over half of consumers mentioned Samsung, and a little over 40% mentioned Apple. LG and other brands were mentioned to a lesser extent. So, Samsung had the highest share of mind overall.

However, a closer looks reveals that Apple had the fastest speed of mental retrieval. Speed is based on the order of mentions – and Apple was mentioned first by 35% of people. Comparing first mentions with market share, we see that these are aligned very nicely. What we learn from this is that it is not enough to be known or considered. More important is to be considered first!

Figure 1

FIRST MENTION AGAINST MARKET SHARE



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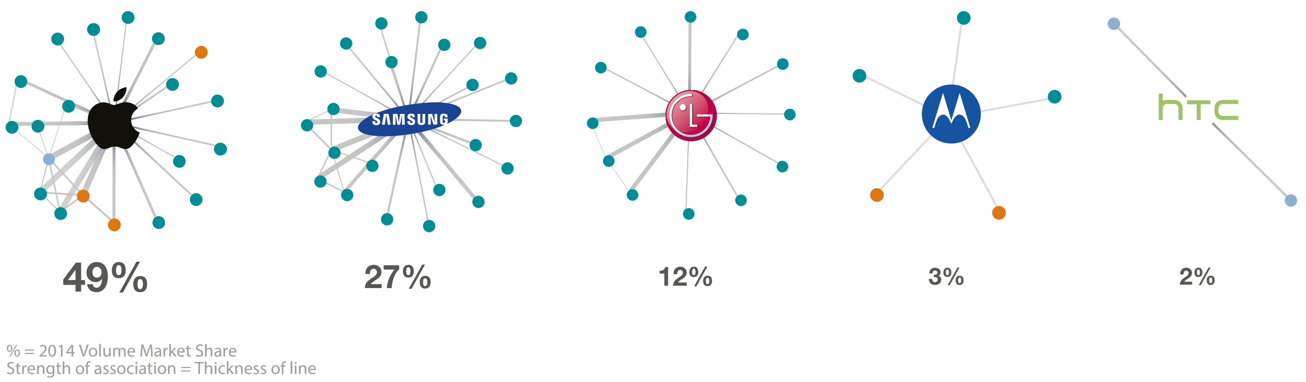
Richer and more positive networks lead to larger market shares

Our R&D also shows that brands with richer and more positive mental networks provide more mental cues at the moment of choice and, as a result, have larger market shares. However, the number of associations is not enough; a network also needs to have many interconnected associations. The more associations and the more these associations are connected, the denser the network will be. A dense network ensures easy retrieval of the brand. In our example, Apple has the strongest and most diverse network of associations – and the density of this network of associations is closely linked to market share.

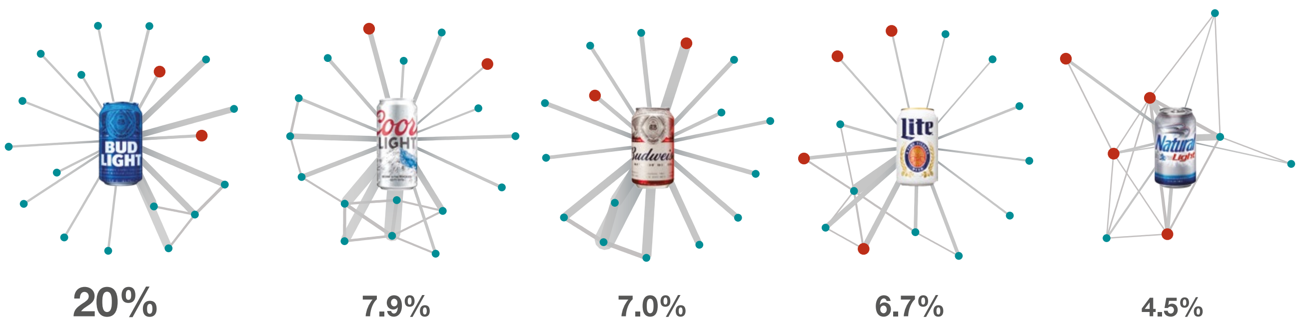
Figure 2
BRAND MENTAL NETWORK VS. MARKET SHARE – MOBILE PHONES



We also see that positive or negative associations are also important. Negative associations can affect market share: negative associations dominate for Blackberry, resulting in lower market share.

As in the mobile phone category, richer networks in the beer category are linked to higher market share.

Figure 3
BRAND MENTAL NETWORK VS. MARKET SHARE – BEER (MASS BRANDS)



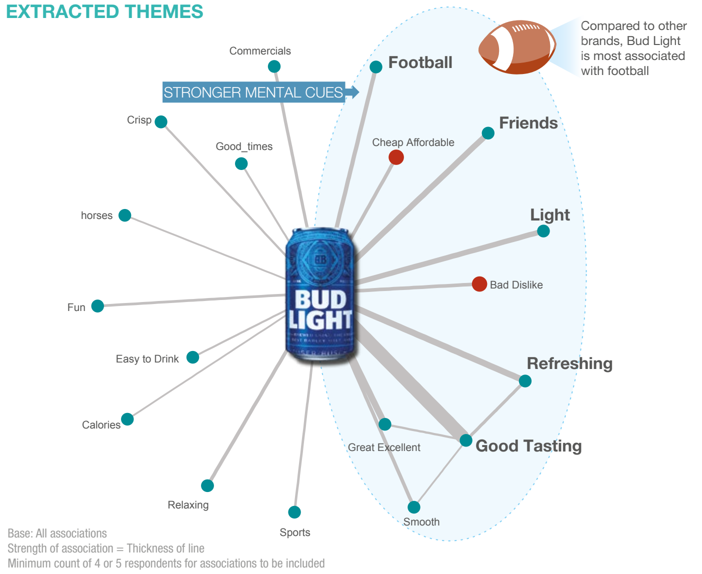


Figure 4

BRAND MENTAL NETWORK – BUD LIGHT (MASS BRAND)

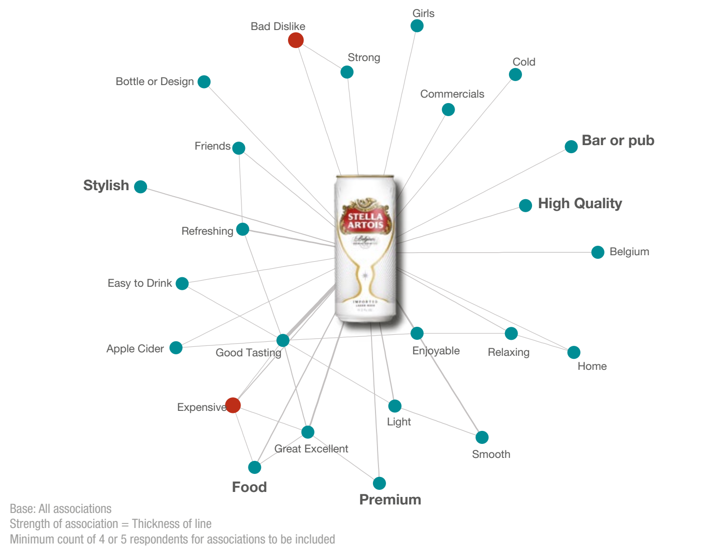


Figure 5

BRAND MENTAL NETWORK – STELLA ARTOIS (NICHE BRAND)

This analysis also forces us to ask the following question: do the elements of the network cover key occasions, needs and benefits? If yes, market share will be higher. Figure 4 shows that Bud Light has a diverse network of associations that include football, friends, product attributes (good tasting, smooth, light), fun, good times, and relaxing. This network is strongly related to beer's most important drinking needs and occasions. What we also notice is that this network not only focuses on product benefits, but also emotional benefits as some key cues and symbols (assets) easily elicit an emotional connection.

Yet, a niche brand like Stella Artois is associated more with design, taste, stylish imagery, and premium. These attributes are all relevant to a specific context, and do not relate to the majority of occasions or majority of beer drinkers.

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How will this help you to grow your brand?

There are three key takeaways for growing your brand based on these learnings:

1. MAKE SURE CONSUMERS HAVE A STRONG AND POSITIVE MENTAL NETWORK.

The richer and denser the set of associations, feelings, symbols, cues, etc. that people connect with your brand, the bigger your brand will be. It is all about creating positive hooks and triggers that result in people identifying with your brand.

2. EMBED IN YOUR NETWORK THE NEEDS AND OCCASIONS THAT ARE KEY FOR THE CATEGORY.

Apart from having rich and positive networks, these associations have to be relevant. If elements in the network cover the most important benefits, needs, aspirations and occasions, the more likely people will be to choose your brand.

3. STRIVE TO HAVE YOUR BRAND RANKED FIRST.

It is not enough to build awareness or consideration. You need to be the best in achieving a rich, positive network and attracting attention so you have the highest perceived value at the moment of choice.

As simple as these takeaways seem, the question is: how do you activate them?

A. Brand managers need to identify what **people expect from the category and their brand** so they can ensure the brand experiences reinforce these prominent memory structures and their brand is implicitly retrieved in the moment of choice. While not every brand wants to be a mass brand and link to the benefits, occasions and requirements important to all, the network should be **relevant to those you want to target**.

B. Once you have decided what is important to be included, reinforce these in a consistent manner. Volvo creates the idea of a safe family car by implementing safety features in all models. Starbucks has the same atmosphere with comfortable armchairs and dimmed lighting in all their stores.

C. Finally, **build in cues or brand assets that make it easy for people to recognize you** – so whenever consumers see your brand cues or assets, the brand comes to mind. The brand assets could be slogans, icons, celebrities, music, colors, etc. Apply these to stores, communications, displays, etc. Disney is a great example of a brand that uses multiple brand assets – including the Disney logo, mouse ears, Cinderella's castle, "When You Wish Upon a Star" music, and their latest slogan "Unforgettable Happens Here."

In summary, brands don't buy brands – people do. So, understanding how your consumers make choices is the first step to achieving growth.

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Douwe Rademaker is Global Chief Executive Officer, Ipsos MarketQuest
Ben Joosen is Senior Consultant, Ipsos MarketQuest

Ipsos MarketQuest aims at driving business growth through a deep understanding of people, brands and markets.

Our experts help clients to uncover, size and prioritize growth opportunities in the market, identify innovation platforms, optimize their brand positioning and strengthen their brand portfolio and architecture.

Ipsos is the only global agency with a dedicated practice in this area, under-pinned by a powerful and validated philosophy centered on human motivations in disruptive markets. Our solutions are linked to business outcomes through advanced analytics, activation workshops and real-time simulations.

This paper is part of the Ipsos Views series.
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