

June 2019

IPSOS VIEWS

Mind the gap:

Why what a brand promises
and what it delivers matter

Fiona Moss





Organisations make promises to consumers every day, in relation to their products, services and every experience of interacting with the brand. But these promises do not exist in isolation. They are influenced by, for example, social media feeds, conversations with friends and, of course, our own experiences of interacting with that brand. The combination of ‘promise plus influence’ sets a benchmark in consumers’ minds

against which each new or repeat experience of a brand is measured. Each new experience in turn recalibrates that expectation before the next one. But how often is the experience failing to match this ‘influenced promise’? And perhaps more importantly for Customer Experience practitioners, what happens when there is a mismatch between promise and experience?

IS THERE A BRAND-EXPERIENCE GAP?

We turn first to the UK, to get the view from the boardroom. For 38 consecutive years, Ipsos has interviewed Britain's Captains of Industry¹ about the most salient issues affecting their businesses. The latest findings provide evidence that identifying and then meeting customer expectations are very real challenges for today's businesses. Just 40% of Captains describe their own organisation in glowing terms when it comes to having a clear vision of the Customer Experience they want to deliver. This is compounded by the fact that 37% see understanding changing customer expectations as the biggest challenge they face in improving their Customer Experience, and only 27% rate their organisation as good at understanding their customers' needs in the first place. Perhaps most telling, a smaller proportion still – 19% – consider their own organisation as 'top-notch' when it comes to delivering a Customer Experience that is consistent with their own brand promise.

With clear evidence from businesses that aligning the promise and experience is a struggle, Ipsos wanted to understand the consumer view. To do this, we conducted research across the supermarket, mobile network, automotive and online retail sectors in Great Britain, Chile and Canada². We asked participants to think about their most recent experiences with a brand, and to tell us whether its products or services matched what it promises³.

With little variation across the countries and sectors surveyed, a significant proportion (14%) report that their experiences are generally worse than promised, or nothing to do with the promise at all. Although affecting only a minority of customers, as this paper will explore, reactions to this misalignment are akin to a customer experiencing a negative critical incident (or problem) in their interaction with a company. Indeed, negative critical incidents and the promise-experience gap share many parallels. They are – fortunately

for today's businesses – typically experienced by a relatively small proportion of consumers. However, when they do occur they are key triggers for significant negative consumer behaviours, such as bad-mouthing or churn. It also feels intuitive that a mismatch between the brand promise and the experience may lay the groundwork for a negative critical incident⁴. Organisations therefore should not be complacent when it comes to aligning the experience and promise.

Moreover, organisations are right to be hesitant about their ability to understand customer expectations (in other words what customers perceive the brand promise to be). Our research shows that saying that the promise matches the experience is not simply explained by whether customers can recall official advertising. Indeed, advertising recall only tells part of the story. Customers who remember seeing an ad in the last six months are no more or less likely to say that the experience matches the promise than those who do not recall seeing an ad.

This indicates that 'the promise' must develop in consumers' minds as a combination of official communications and advertising (whether consciously or subconsciously⁵), experience and other external influences, such as comment from friends, family and social media. Indeed, 29% of customers report that recommendations from these sources formed at least part of their decision to start using the brand in question.

The challenge then of matching Customer Experience delivery to constantly evolving notions of the brand promise is a real one. But what are the implications of alignment or dissonance between the promise and the experience?

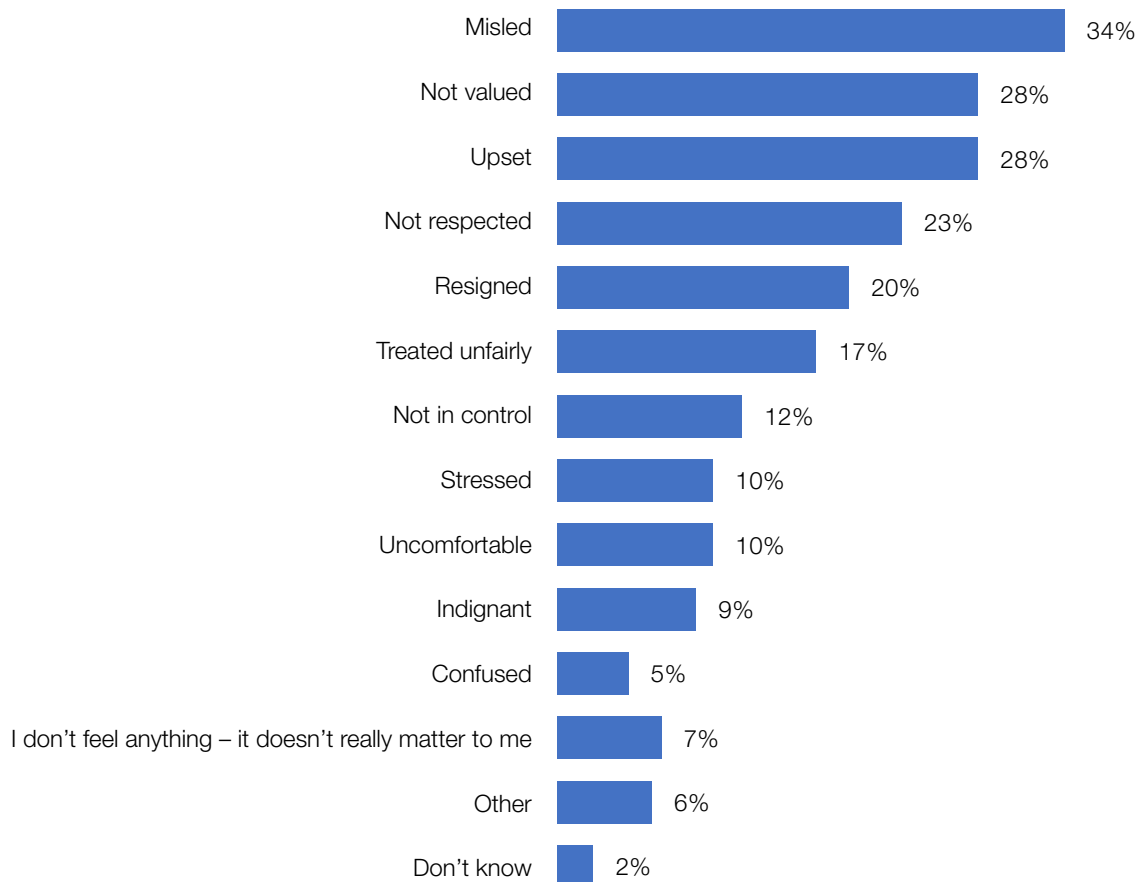
RESONANCE BETWEEN THE PROMISE AND THE EXPERIENCE MATTERS

In fundamental terms, finding alignment between the promise and the experience equates to customers' expectations being met. This is important because meeting expectations is central to consumer perceptions that they are being treated fairly.

Indeed, when consumers who said that the experience was worse than promised were asked how they felt about it, 34% reported feeling misled, 28% not valued and 28% (again) upset, while 17% explicitly said they felt treated unfairly.⁶

In papers such as 'Get Fair or Fail: Why Fairness is Key to Business Success', Ipsos has found that fair treatment (or lack thereof) is a key predictor of churn, particularly when things go wrong. Therefore, misaligning the promise and experience may effectively be priming consumers to feel unfairly treated and to churn, even without anything going wrong, per se. This is supported by the 42% of consumers who say they will buy less or stop buying from the brand as a result of the experience being worse than promised.

And how do you feel about the experience generally being worse than promised?



Base: all respondents who said the experience was worse than the promise (301)



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THE PROMISE-EXPERIENCE GAP PERMEATES THE WHOLE CUSTOMER RELATIONSHIP

Misalignment between the promise and the experience is not just about disappointing customers. It also undermines the fundamentals of customer-organisation relationships.

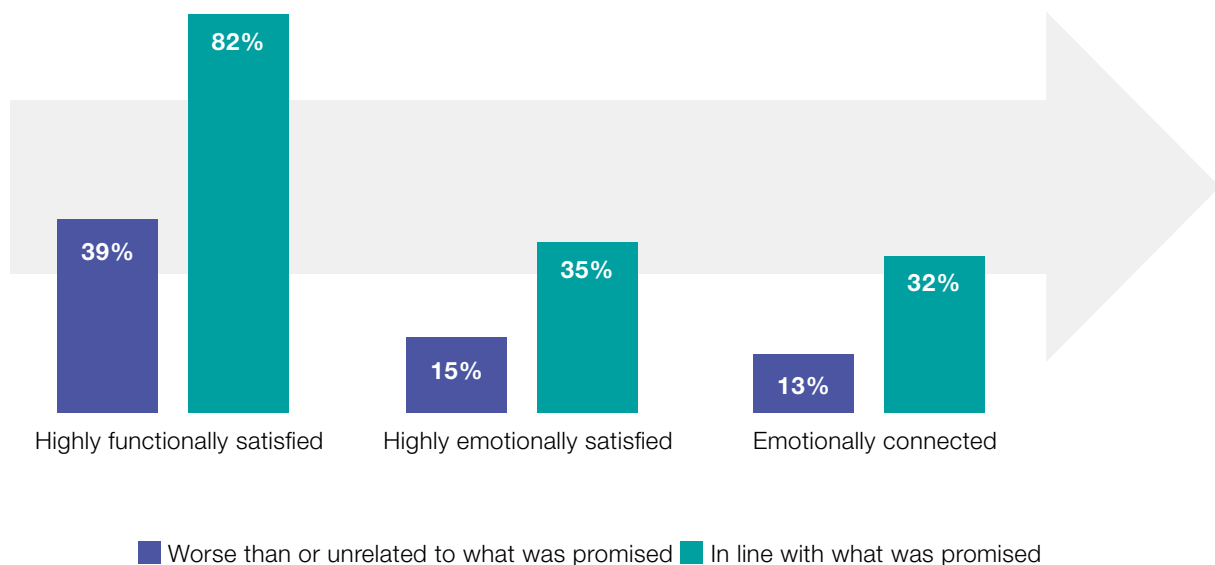
At a basic level, we see this in metrics, such as reliability and trust. In each case, customers who say that the promise and the experience are aligned are significantly more likely than their counterparts to agree that the brand delivers on these. For example, 92% of those who say the experience is in line with the promise say the brand is reliable, versus just 56% of those who say the experience was worse than or not related to what was promised. Meanwhile, 80% trust the brand when the experience is in line with the promise, compared to 40% where the experience is worse than or unrelated to it.

However, the benefits of alignment between the promise and the experience do not stop there. When we look at the difference in emotional connection to a brand, using Ipsos' Emotional Connections framework, we find brand promise-experience alignment to be a strong predictor of emotional connection.

Our Emotional Connections framework is based on the principle that, in order to be truly emotionally connected to the brand, consumers must be both functionally satisfied (i.e. the brand meets their needs) and emotionally attached (i.e. the brand means something to them). All three of these metrics improve significantly when the promise and the experience are aligned.

What we can take from this is that living up to the brand promise is central to building long-term, happy customer relationships. Without it there is much less impetus for customers to stay loyal.

The impact of promise-experience dissonance on emotional connection (% falling within each group)



Base: all respondents who said the experience was worse than or unrelated to what was promised (681); who said the experience was in line with what was promised (3,296)

FAILING TO ALIGN THE PROMISE AND EXPERIENCE NEGATIVELY AFFECTS ALL COMMON KPIs

Moreover, we see a similar pattern for other Key Performance Indicators (KPI) metrics. For example, for overall satisfaction, the proportion scoring 9-10 among those who say the experience matches the promise is almost three times the proportion scoring 9-10 among those who say the experience is worse than or not related to the promise. This pattern is similar across all other KPI metrics that we measured, including recommendation (NPS), likelihood to continue and brand preference.

What's also clear from these figures is that there are benefits to making the Customer Experience better than promised. Here we see that almost twice as many customers score nine or 10 for overall satisfaction when the experience is better than the promise, as they do when the two are aligned. Indeed, the pattern is similar for all the metrics studied in this research.

Should organisations then be aiming to outperform their promise? The answer to this is perhaps best

set against the context of whether a brand can consistently outperform its promise in a sustainable way, particularly when the promise is informed in part by customers' previous experiences of that brand – essentially, can a brand constantly outperform itself? The decision about whether to aspire to a business model of 'better than the promise' will be unique to each organisation's offer and circumstances.

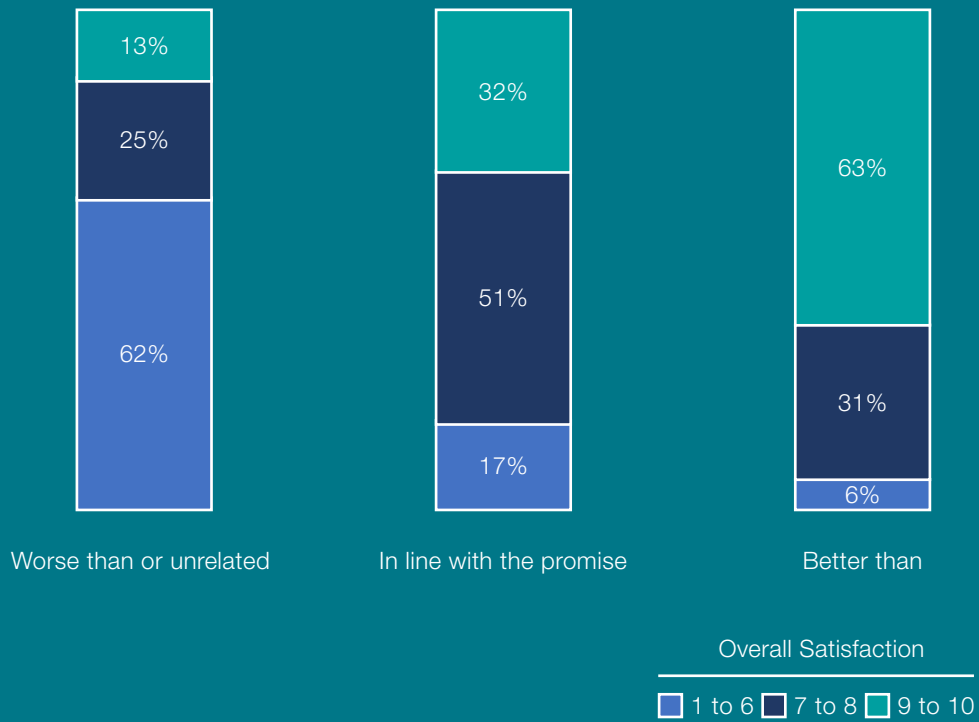
However, the pathway to it is clear: start with alignment of the promise and offer. The evidence for this is manifest. For example, in the decrease in dissatisfaction – and the increase in satisfaction – seen when customers say the promise and experience are aligned, compared to those who say the experience is worse or unrelated to the promise. For many businesses, the approach that delivers the best return on investment will be just this, simply align the promise and the experience. Nothing more, nothing less.

CASE STUDY: WHEN A BRAND IS PERCEIVED TO BREAK ITS PROMISE

A well-known international brand reduced part of its offer for one tier of its customer-base, without altering its pricing or making significant communications about this change. For repeat customers this translated into a poorer Customer Experience, with no priming that the brand promise had shifted. Naturally this led to dissatisfaction and churn. Ipsos worked with this

client to provide evidence to the business that the change in offer was the sole cause of increased dissatisfaction for this customer group. The change could not be reversed, but Ipsos identified – and tracked performance of – other areas of the Customer Experience that could be improved or made more consistent in order to gradually rebuild customer trust over time.

The impact of promise-experience dissonance on overall satisfaction



Base: all respondents (excluding don't know) who said the experience was worse than or unrelated to what was promised (678); who said the experience was in line with what was promised (3,285); who said the experience was better than what was promised (772)



MISALIGNMENT BETWEEN THE PROMISE AND THE EXPERIENCE IMPACTS THE BOTTOM LINE

Yet matching up the promise and the experience is not just about improving survey metrics. There is evidence that a mismatch can have a fundamentally negative impact on an organisation's bottom line. It can do this in two ways.

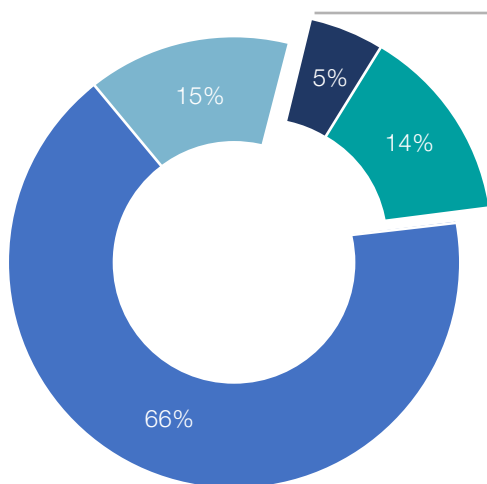
Firstly, customers who say the experience is worse than or not related to the promise are far more likely to complain: 22% of them have done so following a recent experience versus just 8% of those who find alignment. This suggests that, in terms of investment in complaints handling and resolutions, there are clear benefits to be had from ensuring that the promise and the experience are aligned.

Secondly, this misalignment doesn't just weaken customer relationships: it breaks them.

When asked their likelihood to continue with a brand, fewer than 1% of those who said the experience and promise match or that the experience is better than the promise scored one, two or three out of 10. In contrast, 19% of those who report the experience is worse than, or not related to the promise, scored the same. If half of those customers actually leave – knowing that not everyone will follow through on their threat to leave – that means almost 10,000 customers lost from a hypothetical customer base of 750,000. Ultimately, these are customers who could have been saved with better alignment of the promise and the experience. Resonance here thus has the potential to reduce churn as well as the associated costs, not to mention drive positive perceptions of the brand.

Promise-experience dissonance impacts the bottom line

To what extent, if at all, has your experience of [brand], its products or services matched what they promise?



19% of those who say the experience is worse or unrelated to the promise score 1, 2 or 3 at likelihood to continue

= 9,643 lost customers*

*Assuming half of the 19% actually churn, based on a hypothetical customer base of 750,000

■ Worse or unrelated ■ As promised ■ Better ■ Don't know

Base: all respondents (5,007); who said the experience was worse than or unrelated to what was promised (681)

CONCLUSION

These findings point to the fundamental importance of aligning brand promise and experience. This alignment allows businesses to:

- 1 Ensure expectations are met.**
- 2 Guard against any incipient feelings of unfair treatment that may translate into churn.**
- 3 Facilitate greater emotional connection.**
- 4 Foster higher KPI scores across the whole gamut of traditionally-used metrics.**
- 5 Reduce strain on the bottom line in terms of complaints handling and lost customers.**

Therefore, when it comes to ensuring positive business outcomes in the form of happy and loyal customers, getting the promise and the experience to resonate with one another is central to success.

Ensuring this resonance may seem a daunting task to many organisations, particularly as it involves cross-business collaboration. Hence this paper is a call to action to break down silos within businesses and encourage Marketing and Customer Experience teams to work together to ensure that what's communicated is also what's delivered, and that the entire business unites around a single, customer-centric agenda.

Market research has a role to play in this call to action, too. By evaluating the ecosystem of different components that make the brand promise, such as previous experiences, word of mouth and official communications, it can, and does, create a picture of the perceived promise from a customer perspective. Plus, it measures how well the experience stacks up against that promise. As we've seen here, if there is misalignment it also provides compelling evidence of the potential damage to businesses, thereby supporting continued investment in Customer Experience as well as brand communications.

The challenge is not a small one. But for companies who do manage to consistently align their brand promise and experience, the rewards are manifestly great.

REFERENCES

1. For more information about this study, please see: <https://www.ipsos.com/ipsos-mori/en-uk/captains-industry-survey-1>.
2. Research was carried out via online panel using nationally representative samples. Due to sample availability, in Chile only supermarkets and mobile networks were researched.
3. Respondents were asked to identify a brand they had used recently (exact time-period varied by sector) and then asked continuously about that brand throughout the survey.
4. For more information on negative critical incidents, please see: <https://www.ipsos.com/ipsos-mori/en-uk/healing-pain>
5. Research has proven that consumers' conscious awareness of advertising is lower than their stated awareness, therefore any figures on advertising recall should be treated with some caution.
6. Prompted question. Respondents were asked: *And how do you feel about the experience generally being worse than promised? Please select up to three.* Then provided with a list of emotional responses including other, nothing and don't know.

Fiona Moss Global Research Director, Customer Experience, Ipsos

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