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The heart of branding: bridging the perception-reality gap

Brand love and the forces shaping it today
Directions for brand communication

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What? How? Why?

Scope

Assess the drivers of brand love and their impact in boosting the brand – consumers relationship

Understand how to adapt brand communication in order to maximize the brand love and attachment.

- Key drivers of choice and love in 3 categories
- Learnings and next steps for brand strategy
- Applicability for brand communication

Design

- Online survey, iOPI online behavior monitoring, qualitative exploration IDIs, iVent Vibe syndicated study 2024

- **N=1,500**; 500 people by category, 18+, urban representative, consumers of each category
- 3 categories assessed – beer, cheese, online fashion
- 10 minutes online questionnaire
- **August 2024**

- **iOPI** for online fashion category: 1,000 people consenting to have their online behaviour tracked continuously + IDIs to understand their behavior

- **iVent Vibe** syndicated study, assessment of activations inside the main Festivals

Metrics

- Brand KPIs:
- Awareness
- Trial
- Consumption
- Most often

- Brand love
- Evolution of brand love
- Key drivers of brand love

- Image associations
- Brand trust

Reason whys

Consumer loyalty is declining as market options expand and new brands continue to emerge.
Brand switching behavior remains high, while people tend to be more demanding.

To strengthen brand relationships, it's essential to revisit the fundamentals of branding by understanding what drives consumer connections and fosters deeper attachment to a brand.

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iSense Brand Equity Model - Brand Sense

Brand love – the sweet spot between first to mind and purchase

A brand grows by getting more* …

ATTENTION

Salience

- First to mind when the need appears
- Uniqueness
- Setting trends
- Availability

AFFINITY

Affinity

- **Love/Closeness**
- Meeting Needs

ACTION

Behavior

- Product perceived quality
- Frequent purchase
- Past experiences
- Future purchase intent

David Aaker

"A healthy brand has energy, a perception and feeling, and a ***loyal*** *customer base who is engaged."*

Byron Sharp

"brand equity is in fact ***mental and physical availability****: coming to mind easily and being first in the physical space"*

Extensive research on brand love, indicates its **impact in attitudinal and behaviour loyalty.**

*based on branding and behavioral theory – main authors D. Aaker, Byron Sharp, D. Kahneman

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iSense Framework for brand growth

Where we are

What is the market context?

Who is winning?

What affects choice?

- Brand fundamentals: awareness, trial, consideration, usage
- Usage interactions
- Trends of past and current momentum

Where we need to go

What is contributing to predisposition to my brand?

What are the key predisposition levers to address?

- Brand strength score
- Share of usage vs brand strength
- Image associations & territories
- Key drivers of brand love and brand growth

What's next

Which are the priorities?

Defending users/attracting non-users

Next steps for brand building

- Addressing brand ambition, penetration, frequency, loyalty & attraction
- Key media touchpoints
- Distribution, packaging, trade
- Consistency in positioning
- Product and innovation

Integrated with online behavior monitoring iOPI (iSense OmniPanel Insights) – measuring real behavior to understand customer journey, ads impact, and touchpoints impact

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Brand metrics
Brand love and key drivers

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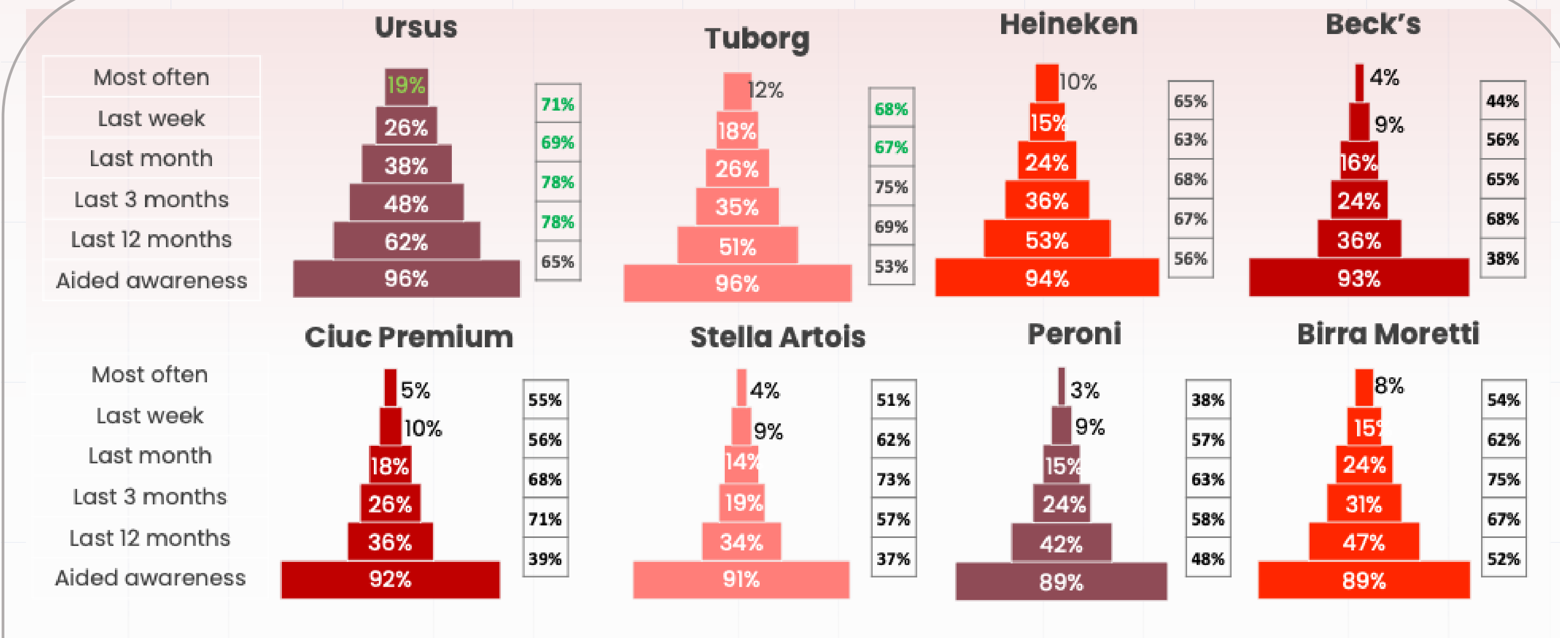
Where we are: key metrics – beer

Brand Funnels – show strong metrics for Ursus; Tuborg and Heineken could further boost their higher funnel levels, considering the high level of awareness; Beck's, Ciuc Premium do not perform in the lower trial level;



N= 518, all respondents
QB1. Which of the following beer brands do you know even just by name?/ QB3. Which of the following beer brands have you consumed in the last 12 months?/QB4. Which of the following beer brands have you consumed in the last 3 months? / QB5. Which of the following beer brands have you consumed in the last month?/ QB6. Which of the following beer brands have you consumed in the last week?/ QB7. Which of the following beer brands do you drink most often?

Spontaneous Awareness – Ursus stands out, while Tuborg and Ciuc follow

Spontaneous awareness - all	
Ursus	50%
Tuborg	31%
Timisoreana	29%
Ciuc Premium	28%
Heineken	27%
Ciucas	20%
Bergenbier	17%
Beck's	16%
Peroni	14%
Stella Artois	12%
Carlsberg	9%
Neumarkt	9%
Skol	9%
Birra Moretti	8%
Kozel	7%
Corona	5%
Staropramen	5%

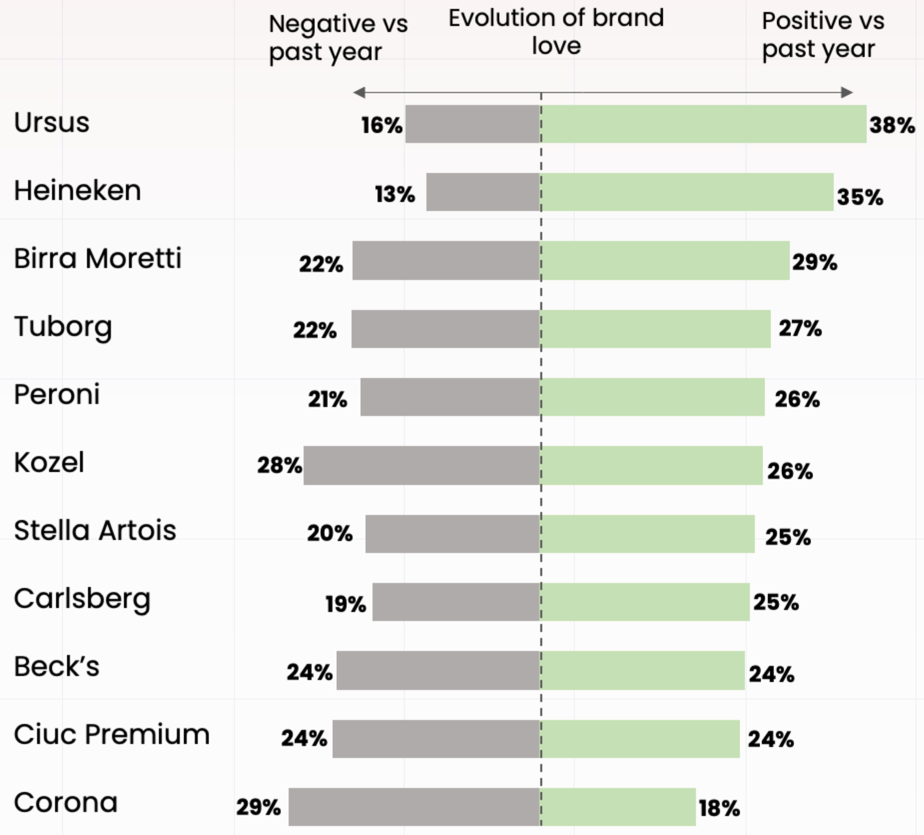
Communication awareness	
Ursus	35%
Birra Moretti	24%
Kozel	19%
Peroni	17%
Heineken	14%
Ciuc Premium	13%
Tuborg	13%
Carlsberg	9%
Stella Artois	8%
Beck's	6%
Corona	5%

Although communicating memorably, Birra Moretti and Kozel do not reach the highest levels of brand salience.

Where we are: brand love and evolution - beer

Brand Love – Superpremium brands benefit of higher attachment, as an effect of their status; Heineken and Ursus rank first; Ursus is also loved by consumers and getting closer to them vs the past

Rank MO consumed	Rank love	BRAND LOVE	
3	1	Heineken	73%
1	2	Ursus	72%
6	3	Stella Artois	70%
8	4	Carlsberg	69%
2	5	Tuborg	69%
10	6	Peroni	69%
4	7	Birra Moretti	67%
5	8	Ciuc Premium	66%
7	9	Beck's	66%
11	10	Corona	63%
9	11	Kozel	62%

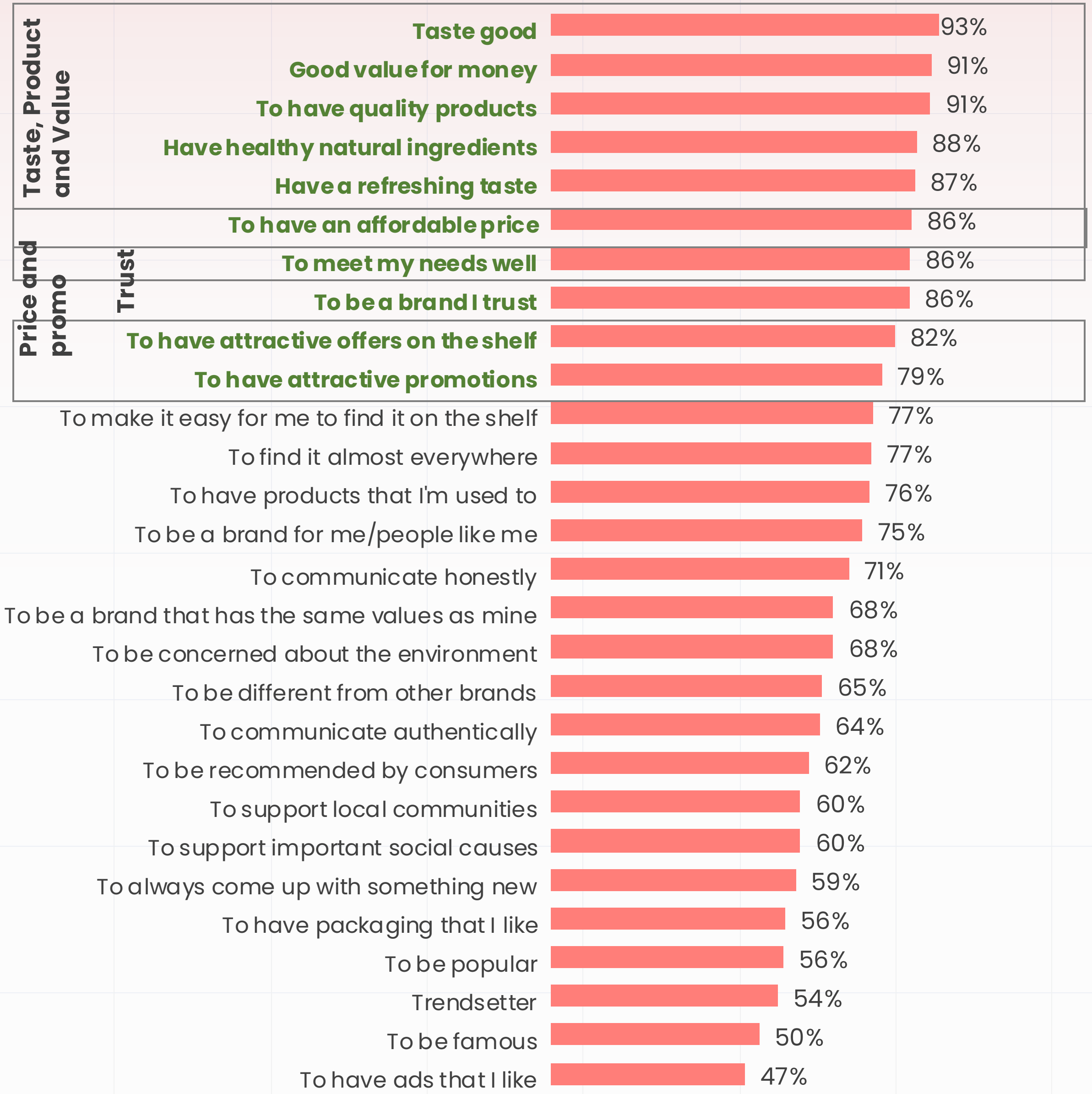


Answer on a slider from 0 to 100

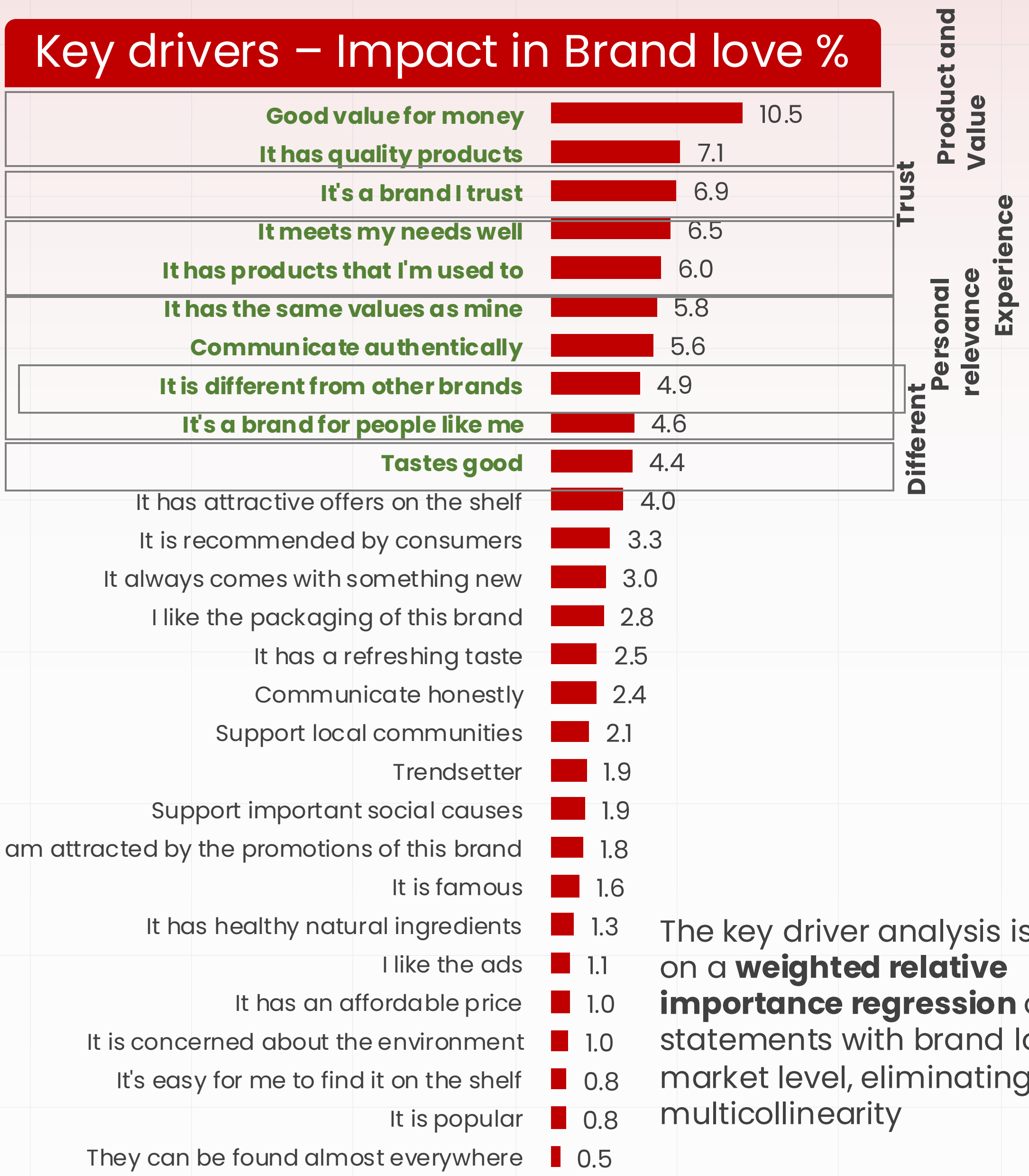
QE2. How close do you feel to this beer brand? N= 518, all respondents, QE2.1. Compared to the previous year, how close do you feel to this brand now? Please use a scale from 1 to 5, where 1 means "I don't feel close to this brand anymore" and 5 means "I feel very close to this brand". N=518, all respondents

Main drivers of choice and brand love - beer

Direct importance in brand choice T2B %



Key drivers – Impact in Brand love %



The key driver analysis is based on a **weighted relative importance regression** of all statements with brand love at a market level, eliminating multicollinearity

IMP. When choosing a beer brand, how important are the following aspects for you? N= 518, all respondents, QE2. How close do you feel to this beer brand? N= 518, all respondents

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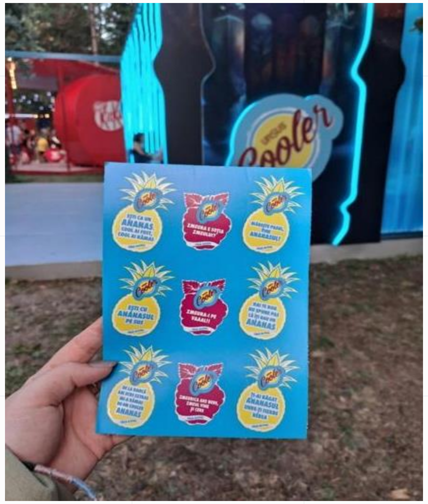
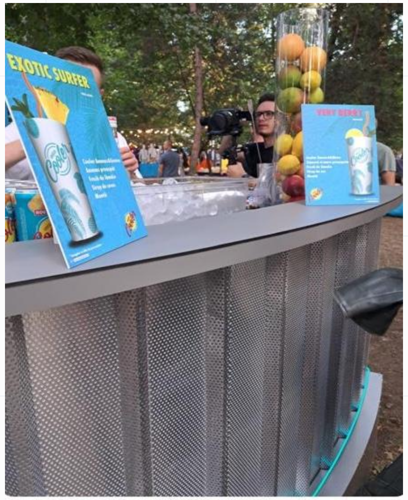
Brand image key associations - beer

IM 1. Which beer brands fit each of the following statements? Select all the brands that match. You can select one, several, or none of these brands. N=518, All respondnets

Innovative brand activations
Ursus corner





Boost the energy through interactive and refreshing ideas

Visible brand through a wide range of activations covering different territories (instant gratification, relaxation corners, adrenaline, etc.) *“La Ursus Cooler te inregistrezi cu numar si date personale dupa care participi la un joculet pe ecran si poti castiga experiente VR. Locurile de relaxare le poate folosi toata lumea”*

Ursus Corner succeeded in:

- ❑ energizing the festival attendees through a **wide variety of refreshing drinks** (non-alcoholic cocktails)
- ❑ Impressing through a captivating and relevant virtual reality activity (VR glasses)
- ❑ ensuring cozy, inviting, and comfortable spaces designed for bonding and relaxation

Innovative communication channels

- **The e-commerce platforms** are seen as the **future channel of communication,** as long as they are including **informative ads,** adapted to consumers interest

- **Ads on SVOD** are perceived with **skepticism,** although few consumers would pay for a premium (ads free) subscription (16 % of Netflix consumers and 14 % of HBO Max), **their consumption habits of SVOD might be affected**

- **Exploring new forms, reinventing the OOH communication**
  - **VR ads** – interactive 3D ads popping on the streets creating multisensorial experiences
  - **Personalized ads** – besides social media, AI chats in which consumers are included for being updated with discounts based on their history
  - **Swift from real people to holograms** will allow to include personalized and dynamic characters beyond imagination

On the **cheese/pressed cheese market**, the key drivers of brand love show the importance of the product, value and trust

Rank consumed	Rank love	BRAND LOVE	
1	1	Hochland	77%
2	2	Pilos	75%
5	3	Napolact	74%
3	4	Delaco	73%
4	5	Covalact	73%
6	6	Rarăul	66%
7	7	Milbona	66%
9	8	Solomonescu	66%
8	9	Gusturi românești	65%

Answer on slider of 0-100

QE2. How close do you feel to the cheese brand? N=527, all respondents

Key drivers
Impact in brand love % score based on weighted relative importance

The key driver analysis is based on a weighted relative importance regression, eliminating multicollinearity

Offer Experiences from other countries

Qualitative insight

- **New product assortments** and **product innovations** (halloumi, cheese for saganaki recipes, etc.) drive trial since tapping on emotional hooks: need of escapism, reproducing recipes experimented on holidays

Improves my experience:	Gen Z (18-29)	Millennial (30-44)	Gen X (45-59)	Boomer (60-65)
Products **from other countries**	**66%**	**60%**	**53%**	**48%**

HP2C. To what extent do you consider the following aspects to make your experience more enjoyable when shopping at a hypermarket/supermarket? - %T2B, N=509, all respondents

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Sampling as a way to enhance the experience

Qualitative insight

- **Modern in store activations** (robots, VR tablets, immersive, beer container) drive attention and might lead trial (The robots first captured my attention, but after a while I started to ignore them in the hypermarket)
- However, **direct experience with the product allow consumer connect with the brand and generate re-purchase** (sessions of product tasting, providing suggestions for different consumption patterns)

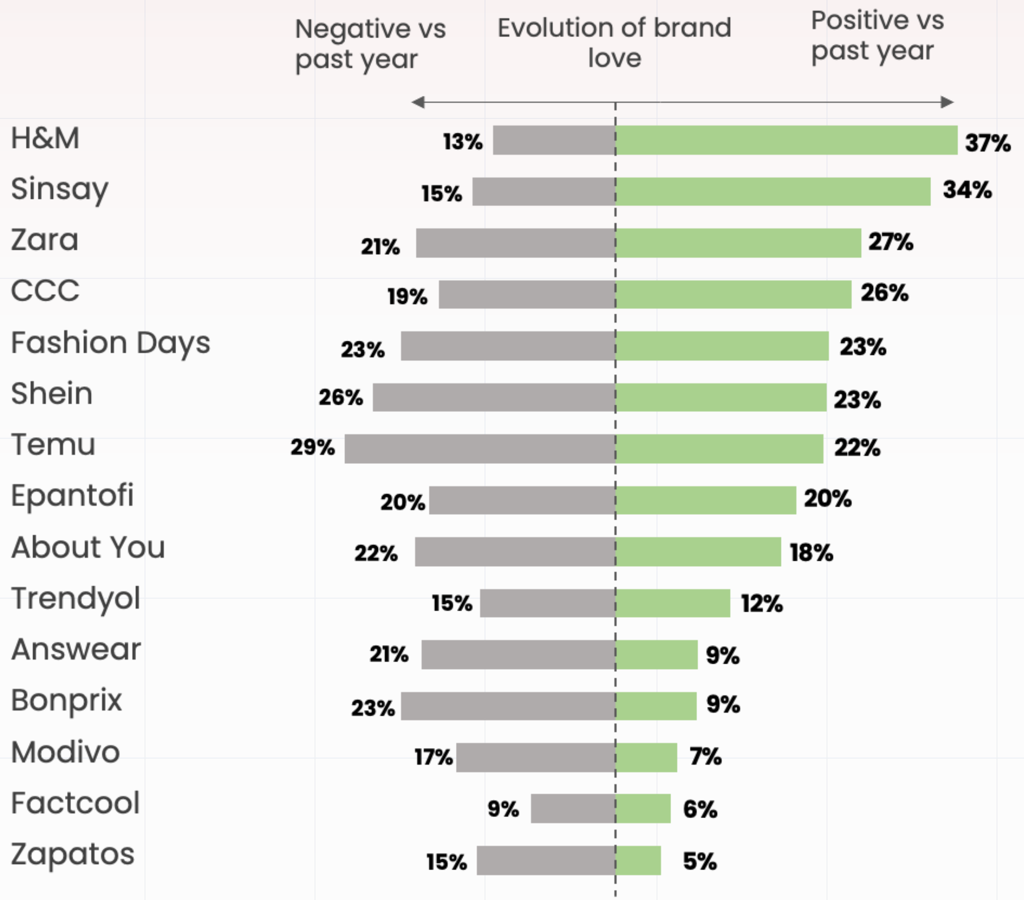
Improves my experience:	Gen Z (18-29)	Millennial (30-44)	Gen X (45-59)	Boomer (60-65)
Events taking place in the store **Product launches, product usage tutorials**	**51%**	**41%**	**41%**	**43%**

HP2C. To what extent do you consider the following aspects to make your experience more enjoyable when shopping at a hypermarket/supermarket? - %T2B, N=509, all respondents

On the **online fashion market**, we notice lower affinity levels and multiple brands polarizing in terms of relationship

Rank MO purchase	Rank love	BRAND LOVE	
1	1	H&M	72%
3	2	Sinsay	69%
7	3	CCC	68%
5	4	Zara	66%
11	5	Epantofi	64%
6	6	Fashion Days	64%
10	7	About You	62%
8	8	Trendyol	60%
13	9	Factcool	59%
9	10	Bonprix	58%
14	11	Modivo	58%
4	12	Shein	58%
12	13	Answear	57%
15	14	Zapatos	56%
1	15	Temu	54%

Answer on slider of 0-100



QE2. How close do you feel to this clothing brand? N=514, all respondents QE2.1. Compared to the previous year, how close do you feel to this brand now? Please use a scale from 1 to 5, where 1 means "I don't feel close to this brand anymore" and 5 means "I feel very close to this brand". N= 514, all respondets

Main drivers of choice and brand love – online fashion

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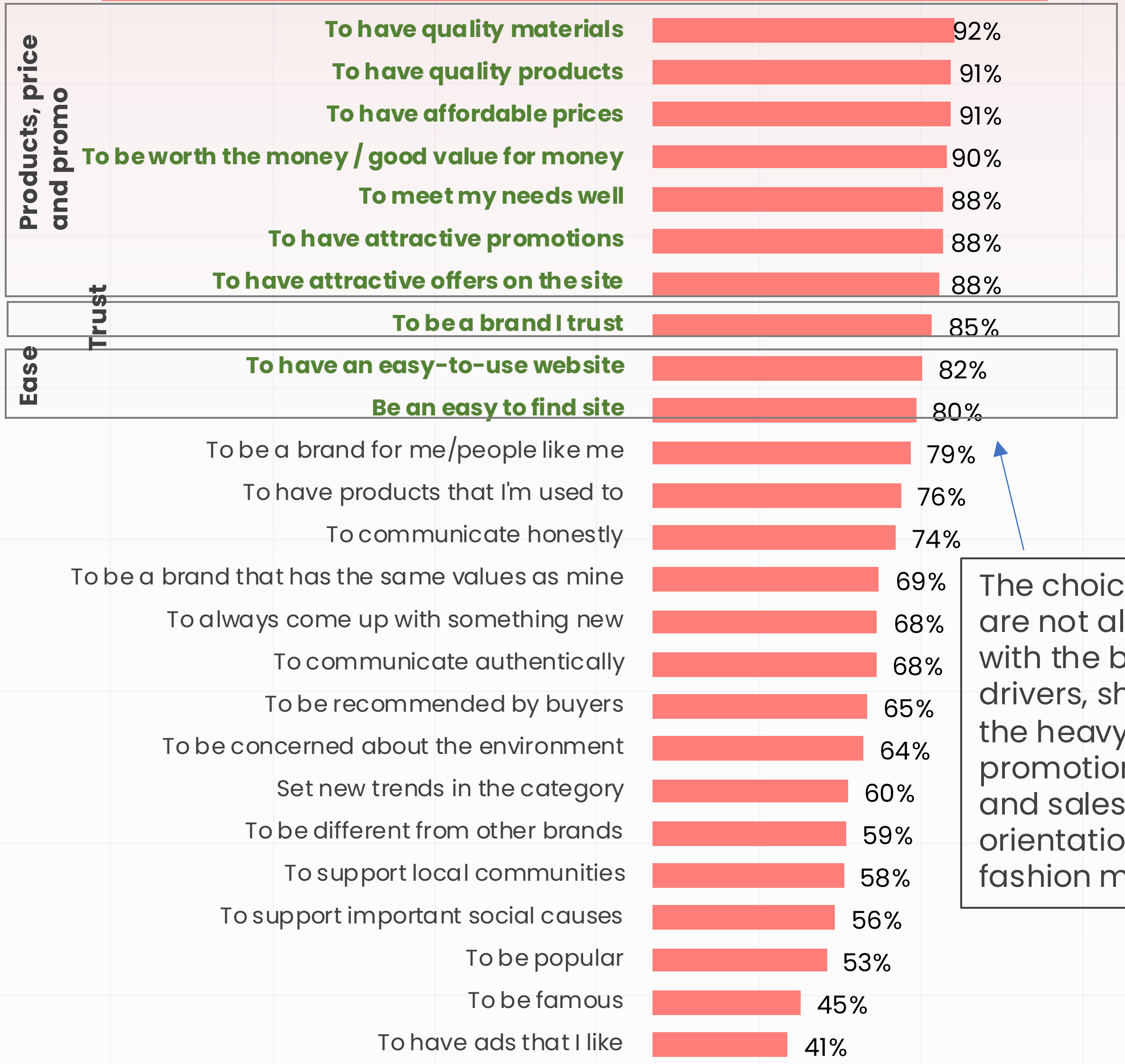
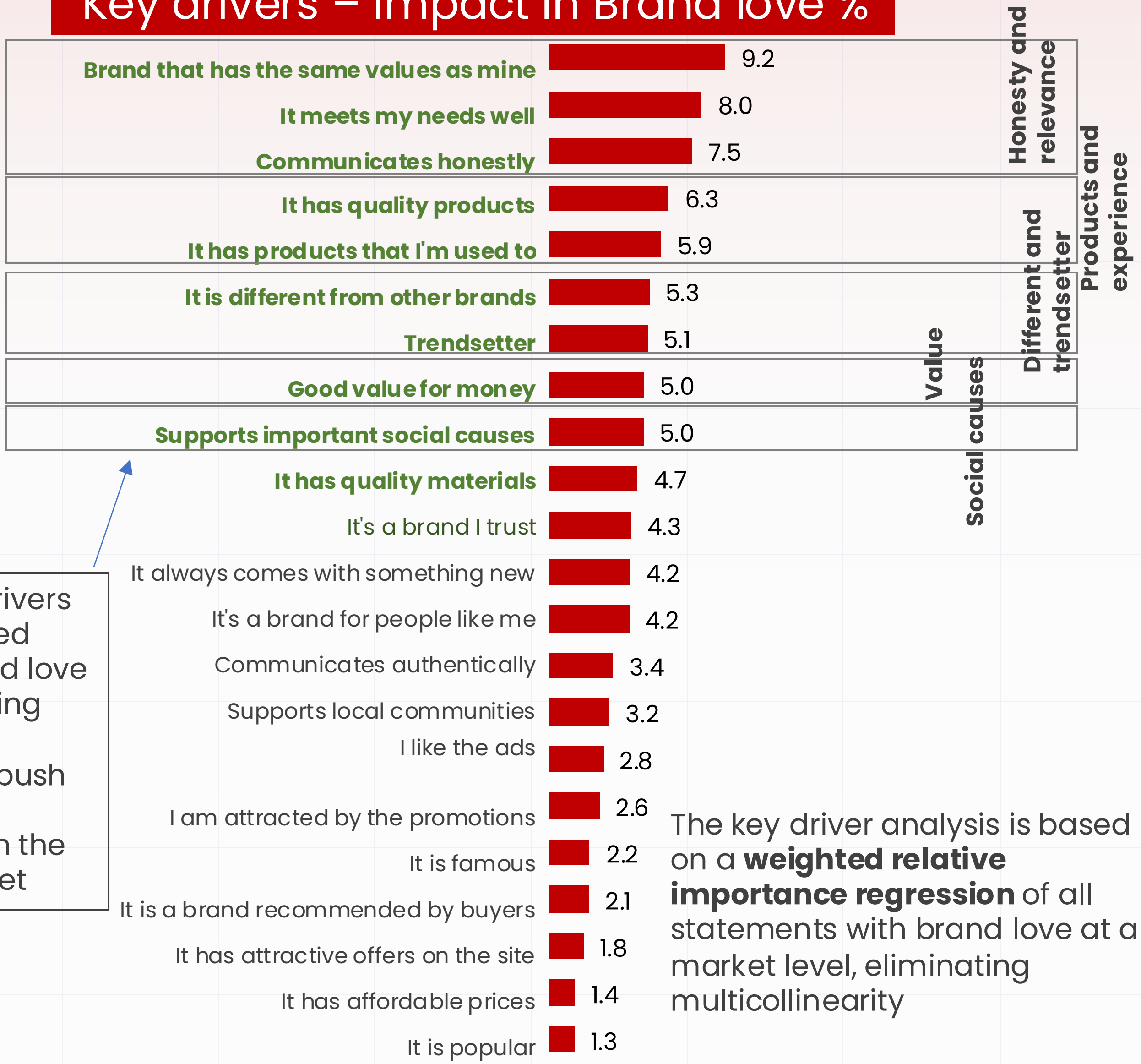
Direct importance in brand choice T2B %



The choice drivers are not aligned with the brand love drivers, showing the heavy promotional push and sales orientation on the fashion market

Key drivers – Impact in Brand love %



The key driver analysis is based on a **weighted relative importance regression** of all statements with brand love at a market level, eliminating multicollinearity

IMP. When choosing a clothing brand, how important are the following aspects for you? Please answer on a scale from 1 "Not At All Important" to 5 "Very Important" for each of the statements below., N=514, all respondnets, QE2. How close do you feel to this clothing brand?, IM1. Which clothing brands fit each of the following statements? Select all the brands that match. You can select one, several, or none of these brands. N=514, all respondents

Brand image key associations – online fashion

Temu and Shine stand out via presence and pricing pressure.

IM1. Which clothing brands fit each of the following statements? Select all the brands that match. You can select one, sever al, or none of these brands. N=514, all respondents

iOPI - Online behavior monitoring and in-depth interviews– Aurelia’s profile

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27 y.o
Budget-conscious, pragmatic
Online fashion savvy shopper
Married, no children
Physiotherapist
Region: Moldova
Online fashion apps mostly used:

SHEIN daily

sinsay once every 2-3 days

She is active, especially interested in tennis and a fan of Djokovic. She also has a particular interest in travelling.

2024-8-4, 15:30	Chrome	hervis.ro/store/blog-tenisul-de-camp-istorie-reguli-turnee?
2024-8-4, 15:31	Chrome	google.com/search?q=reguli+tenis+de+camp&oq=reguli+teni&gs_lcrp=
2024-8-4, 15:32	Chrome	hervis.ro/store/blog-tenisul-de-camp-istorie-reguli-turnee?
2024-8-4, 15:37	Chrome	djokovic alcaraz

127 apps used in the past 3 months

Most used apps:

On average, online fashion heavy shoppers use 110 apps

iOPI - Online behavior monitoring and in-depth interviews– Aurelia's profile

3.1 hours per day spent in average in online fashion apps
Out of which 1 hour per day in Shein app
Online fashion apps used:

SHEIN
sinsay
Vinted
trendyol
FASHION DAYS
LC WAIKIKI
CCC
H&M
Stradivarius

On average, online fashion shoppers experience 2711 ad impressions from online fashion stores in a 3 months period

Aurelia is heavily targeted by publishers – on Facebook and Instagram – June-August 2024
5723 ad impressions, mainly Trendyol, Sinsay, Temu and Shein.
She usually interacts with the ads.

Regularly looking for seasonal items and interested in sports:

2024-7-2, 14:49	Chrome	costum de baie uv
2024-7-2, 14:49	Chrome	google.com/search?q=costum+de+baie+uv+dama&oq=costum+de+baie+uv&gs_
2024-7-2, 14:49	Chrome	economy-finance.ec.europa.eu/euro/euro-coins-and-notes/euro-coins/commemorative-coins/olympic-games-paris-2024-0_en
2024-7-2, 15:21	Chrome	housebrand.com/ro/ro/tricou-oversized-nirvana-5970x-90x

She uses multiple apps for comparisons: Shein, Trendyol and Sinsay.
Although targeted by Temu, she does not order, nor uses the app, as it offers similar benefits with Shein.

iOPI - Online behavior monitoring and in-depth interviews– Aurelia's profile

Key online fashion players, key reasons for ordering

Shein – **strengths:** prices, diversity of items, well organized and customized for the user ("petit section", "favorites section" "matching items"); well perceived in terms of delivery;
weaknesses: low quality fabrics and not matching sizes
CCC for quality-price reasons

Sinsay –perceived as more quality, good pricing; terndy in terms of colors, items; simetimes perceived as for younger people

H&M– the products are not on her taste , yet perceived as good quality;

Trendyol– price driven choices, bad experience with the delivery

Temu – **too similar to Shein**

The customer journey

Aurelia buys clothing items every 2-3 weeks
She is **also an impulsive buyer, buying sometimes inspired by promotions or after seening appealing ads**

High engagement with the apps after seeing the ads:

2024-7-2	Facebook	Sinsay .	Cu ce asociezi Sinsay? Bineînțeles, cu moda la preturi foarte bune ...

2024-7-2	APP_USAGE	com.lppsa.app.sinsay	Sinsay	Time spent: 99
2024-7-2	APP_USAGE	com.zzkko	SHEIN	Time spent:53

2024-7-13,	Instagram	trendyol	Reducere de 50% cu codul "JUSTAPP50" la prima ta comanda.

2024-7-13	APP_USAGE	trendyol.com	Trendyol	Time spent:77

Players in the market have opportunities to boost their brand love and appeal too, as brand trust is an important aspect for choosing a new option.

The planned shopping journey: periodically, she checks the wardrobe for items she does not use anymore – if not used for 1-2 years, the item will be donated

- 2-3 apps are checked (ie Sinsay, Shein, Trendyol)

- decides either by the lowest price or by fabrics' quality.

- Ads should focus on the look and design of the clothing items

she **checks the trustworthyness of the brand** – reviews, fabrics details, delivery info, etc.

Brand love takeaways

1. The **product, ingredients, quality-price perceptions are the foundation of** brand attachment; differentiation and innovations matter; since people tend to compare, it's essential to offer options that provide good value (size, format, adapted pricing strategy)

91% of consumers across categories state the importance of the product as a main driver of choice; product is also the main pillar of brand love across categories.
Ingredients, taste should also be in line with the overall needed quality perception.

90% are in search for Value for money and good value for money is a main driver of attachment.
Affordable pricing has a strong impact in choice, especially in promo driven categories, yet pricing per se does not have the potential to build attachment.

Worth paying more for a brand is related to its actions (60%) and to its perceived trust (62%)*.

Past experience, reflecting the direct contact with the brand and past habits, ranks amongst the top 3 drivers of brand love.

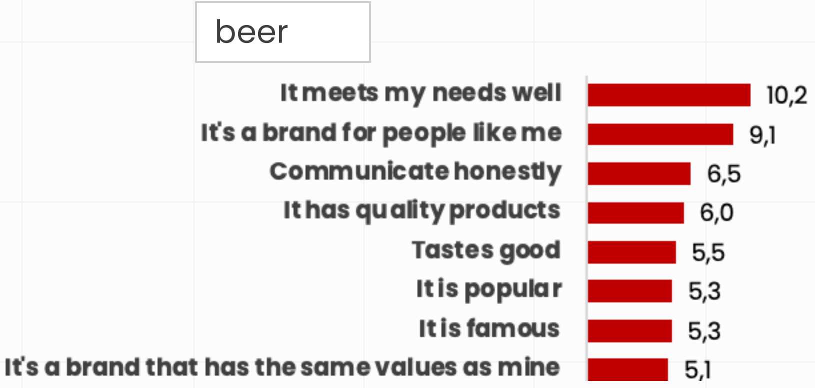
Differentiation, innovations or setting the trends contributes to building the long-term close relationship, ranking amongst the top 5 drivers of love.

2. **Brand trust** cultivates customers' love; action drives trust, brands are expected to act in line with the values

According to our brand love survey, 85% of consumers across categories consider brand trust as a top driver of choice

Main triggers/drivers of trust across categories are the **personal relevance, similarity in values and the honesty in communication**, underpinned also by the product (especially in categories where the product is not directly accesible on the shelf, as online fashion).

Key drivers of brand trust %



Authenticity is not about....

RECYCLING THE SAME FORMATS

- ✗ **Predictable associations between** product and execution
- ✗ **Popular celebrities** who are not fit with the categories they are promoting or oversaturated

BUT RATHER ABOUT......

Elfi – Prețuim marii românași!

MINUS LA SUTA - prima trupă promo-pop la Carrefour

KEEPING THE BRAND ALIVE THROUGH:

- ✓ **Creative association** between a basic daily used product and iconic behaviours (ex., „punga cu pungi")
- ✓ **Funny celebrity** who is fit to present a controversial category (Costel – toilet paper)

- ✗ **Stereotypical approach** regarding discount and best offers
- ✗ **Repetitive music** which can get boring or annoying (ex., pharma)

- ✓ **Unpredictable presentation of a daily activity** (as a full-out concert in the market) – providing engaging experiences
- ✓ **Memorable song** expressing joy and reasurance regarding the low prices at Carrefour

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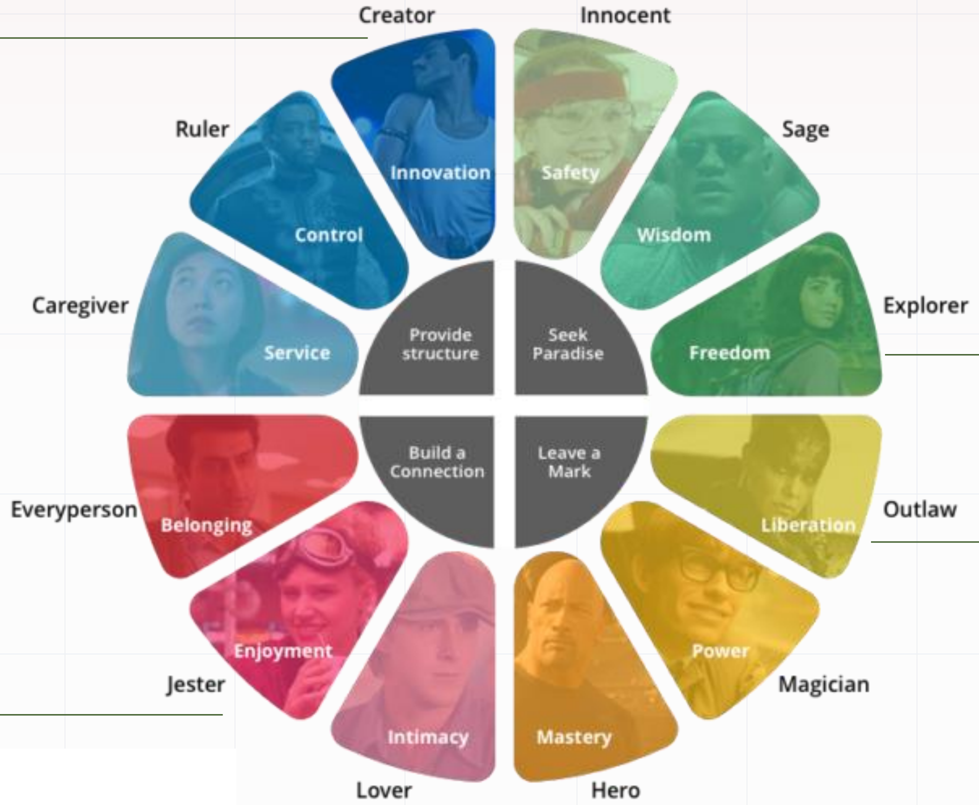
Micro-influencers are more trusted by gen Z, stand–up comedians are seen as authentic for older generations

Silviu Faiăr, Zlăvog, Aluziva

- **Modernity** – innovative approach vocalizing the social reality through gen Z lenses
- **High credibility** – perceived as authentic and out-spoken, high rate of trust in their decisions to promote specific products

Bordea, Pavel Bartoș, Costel

- **Creativity** – witty approach including celebrity's well-known funny attitude create engagement
- **Memorability** – famous comedians transfer humorous approach, expectancy for funny content creating engagement



Mircea Bravo and his grandma

- **Authenticity** – through humor and the close bonding between them
- Versatility – ability to contextualize their dynamic and make it fit with every category they are representing
- **The authentic dynamic** creates high memorability – quick association between the 2 and Profi

Micutzu – Cat Mobile, Victoria Bank

- Intrusive thoughts materialized through Micutzu's actions
- Escapism – create a comforting approach regarding reliability

3. What you see is what you get and **honesty in communication**

Honest communication builds trust and contributes to brand love across categories (amongst top 6 drivers). Honest commmunication *includes "transparency of communicating ingredients, price and discounts, clear communication of prices and ingredients/materials, avoiding overpromises which are not supported by the final products or prices".*

Personal experience develops the relationship with the brand, serving as a key point of validation. When there is no personal experience, people tend to search for information before the purchase.

CREDIBLE INFLUENCERS

- **Multisensorial product experience promoted by celebrities** (testing the product, describing feelings, smells etc.) generate trial if providing an honest evaluation, exposing as well potential dislikes

TRANSPARENCY

- **Transparent brand actions + Authentic message= credible story**
- **Lidl commercial on sustainability, gained consumers trust since all the elements exposed in the ad** (green energy truck, bio products, no waste food campaigns) were related to consumers direct experiences

Lidl ad – sustainability

4. Simplicity as a guiding principle

In both service and consumer packaged goods (CPG) categories, easy access to the product and strong shelf presence influence consumer choice and can enhance brand affinity.

Simplicity in experience makes a proven impact

The Simplicity Index, created by Siegel+Gale, is a yearly ranking of brands with the least complicated experiences. The consultancy's research has drawn some compelling conclusions about the impact of distilled experiences:

- **Simplicity drives recommendations**: 64% of consumers are more likely to recommend a brand because of simple experience.
- **Simplicity drives growth**: Since 2009, a stock portfolio made up of the simplest publicly-traded brands (as defined by Siegel+Gale) has outperformed the market by 686%.
- **Simplicity drives sales**: 55% of consumers are willing to pay more for uncomplicated experience

Shelf stand out and package likeability are **the 5th most important driver of brand love on** the cheese/pressed cheese market.
80% of consumers state the ease of access and navigation on the website as a driver of choice for online fashion stores.

5. Promotional and transactional relationships do not strengthen bonds or sustain them in the long term

•Although the online fashion market is dominated by a continuous push for promotions and low prices, our survey reveals different drivers of attachment: values, product quality, transparency, and support for social causes, all pointing to the importance of fostering a genuine emotional connection.

•the online fashion segment shows also a lot of granularity in terms of most often purchase, while the love and attachment are lower vs other categories

Key drivers of brand love % – online fashion

Average brand love by category %

beer	68%
cheese/pressed cheese	71%
online fashion	62%

•Les Binet and Peter Fields, experts in media effectiveness, have examined the effects of promotions on sales and profitability short and long term: *“So when we examined the data, what we expected to find was that the killer combination was emotional and rational together. But when we looked at [it], that is not what we found. What we found was actually quite different. We found that the more you moved away from rational messages to pure emotion, the more effective advertising was.”*

Thank You

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