



# Brand Management & Media Planning

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LM in Marketing & Digital Communication



**LUMSA**  
UNIVERSITÀ  
1939 **SO**TTANTESIMO 2019



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# Brand Value & Audit

Lesson 7 part 2

Thursday November, 28



# Branding Building Process

1. Define and position the Brand (Vision, Mission, Values)
2. Express the brand
3. Build awareness and reputation for the brand
4. **Measure the brand**



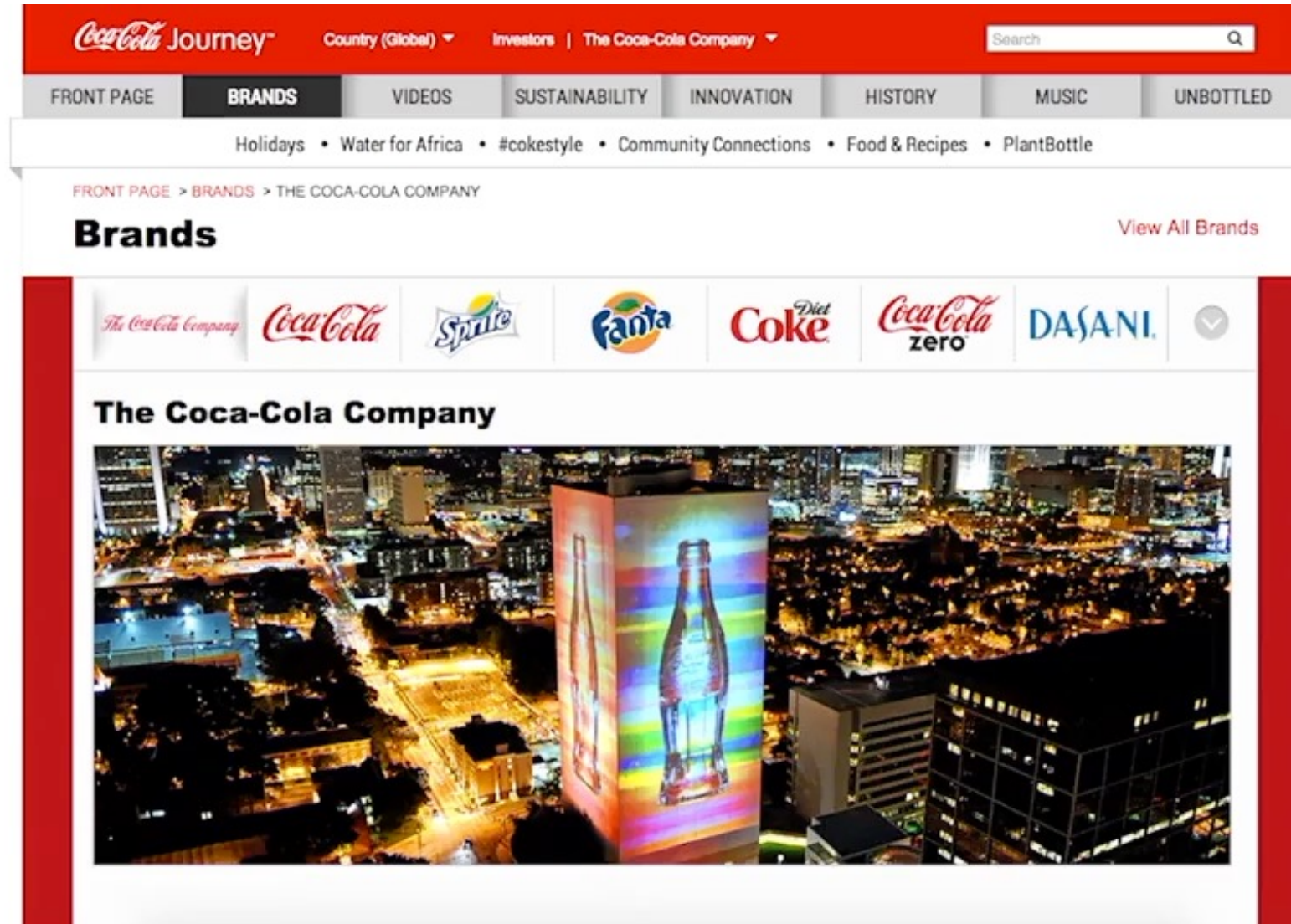
# Why successful brands are important?

- A brand is a "**mental structure**" that helps customers organizing their knowledge in order to simplify purchasing decisions.
- **Strong brands** have the **ability to orient and attract customers** and so **generate lasting value** for the company.



1'51''

# Brand benefits: why are brands important





# Successful brand benefits

A successful brand:

- Develops **positive attitudes**
- Builds **customer loyalty** (also for employees).
- Allows **higher prices** (less sensitivity to the price and acceptance of a premium price).
- Is **less vulnerable** Vs. competitors.
- Makes it easier to **launch new products**.
- Helps in **talent recruitment**.
- Allows greater **bargaining power over the trade**.
- Has more **legal protectability** against imitations.
- Creates an **intangible capital**.



# Brand Equity

59''

Brand equity is the value of a brand in the marketplace.



Brad Batesole – Advanced Branding – LinkedIn Learning



# Brand equity: what resources create value for the brand

Each Advertising Group and Brand Research Institute has its own proprietary method to measure Brand Value, but the **main resources** that **create brand value** are basically the same in each model:

1. **Awareness**
2. **Image**
3. **Perceived quality**
4. **Relationship with customers and stakeholders**
5. **Loyalty**





# Building and maintain a strong brand

To build and maintain a **strong brand** we must:

1. Ensure that customers **know the brand** and **associate it with a certain offer (a category need)**;



# Building and maintain a strong brand

To build and maintain a **strong brand** we must:

1. Ensure that customers identify the brand and associate it with a certain offer;
2. Create **relevant and distinctive meanings** in the **customer's mind**, establishing a strategic link between **tangible associations** and the **exclusive intangibles** of the brand;

**LOGO**



**PROMISE**



# Building and maintain a strong brand

To build and maintain a **strong brand** we must:

1. Ensure that customers identify the brand and associate it with a certain offer;
2. Create relevant and distinctive meanings in the customer's mind, establishing a strategic link between tangible associations and the exclusive intangibles of the brand;
3. Provoke a favourable **rational and emotional response** to the created associations, transforming this response into a **loyal client-brand relationship** (recognized and rewarded).



# 5. Measuring the brand

## Measuring Your Brand

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- ➊ What is the basic awareness of the brand?
- ➋ How well does the audience understand your brand?
- ➌ How much loyalty is the brand building?





# Measuring our brand

Basically, we measure the resources that build brand value

1. What is the basic **awareness** of the brand?
2. How well does the audience **understand** our brand? (**brand image and perceived quality. Brand identity and drivers**)
3. How much **loyalty** is the brand building? (**relationship** with customers and stakeholders)

# 1. What is the basic **awareness** of the brand?



# 1. Brand Awareness, recognition & recall

**Brand awareness** is the **association** of some characteristics such as brand name, logo, package, etc. **to a category need**





Let's try it



**Mentimeter**

**Let's measure  
awareness**



## 2. Brand Awareness, recognition & recall

There are **different stages** of brand awareness:

- **Top-of-Mind**: is the first brand associated within a category, it's the first spontaneous recalled brand
- **Brand recall** or **unaided spontaneous awareness** (also called **unaided awareness**): is when a brand is spontaneously associated to the category
- **Brand recognition** is when people recognise a brand when the brand name is suggested, or by its logo or package, e.g. in a shop (also called **aided awareness**)

The sum of Brand Recall +  
Brand Recognition is called  
**Global Brand Awareness**

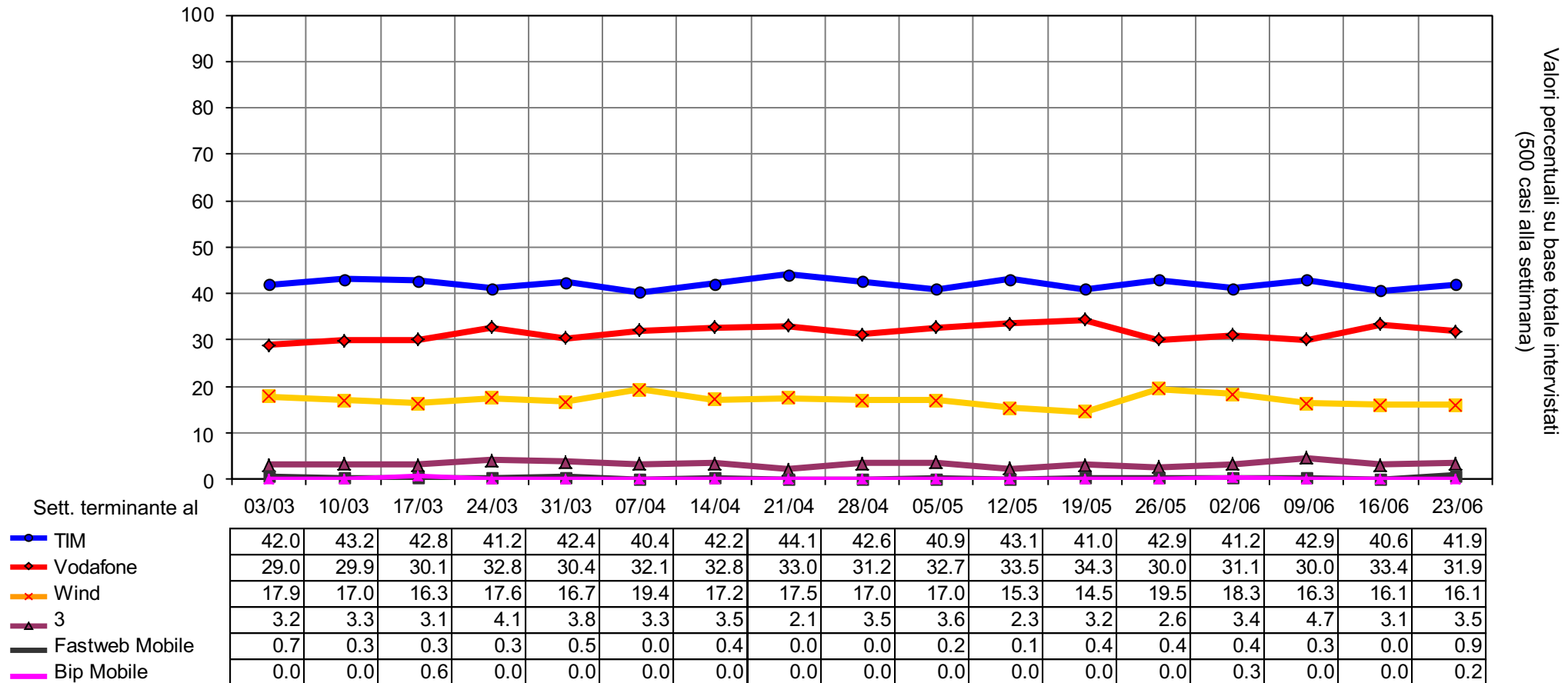


# Mobile communications brands Top of Mind awareness



## Top of Mind

Parliamo di aziende che gestiscono reti di Telefonia Mobile. Quale azienda di Telefonia Mobile le viene in mente per prima?"

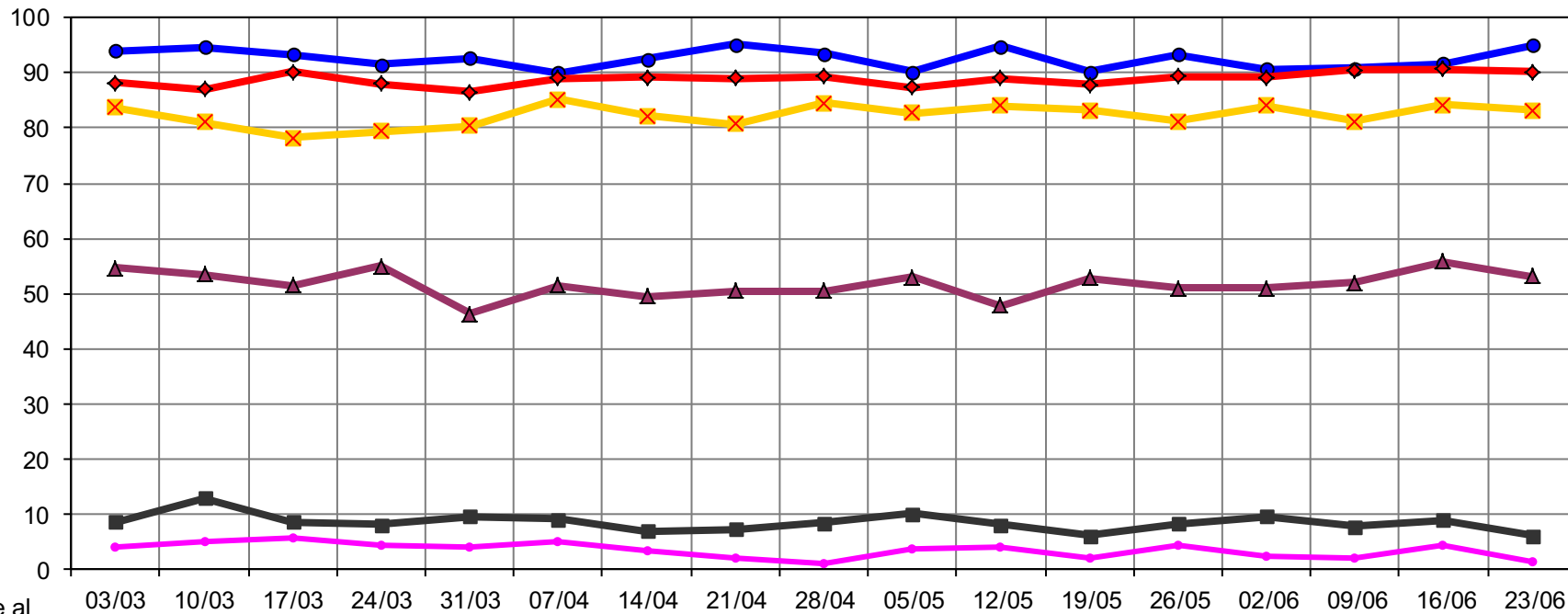


# Mobile communications brands Recall



## Notorietà spontanea (incluso Top of Mind)

"Parliamo di aziende che gestiscono reti di Telefonia Mobile. Quale azienda di Telefonia Mobile le viene in mente per prima?" "Oltre a questa, quali altre aziende che gestiscono reti di Telefonia Mobile lei conosce, anche solo per sentito nominare?"



Sett. terminante al

- TIM
- ◆ Vodafone
- × Wind
- ▲ 3
- Fastweb Mobile
- BIP Mobile

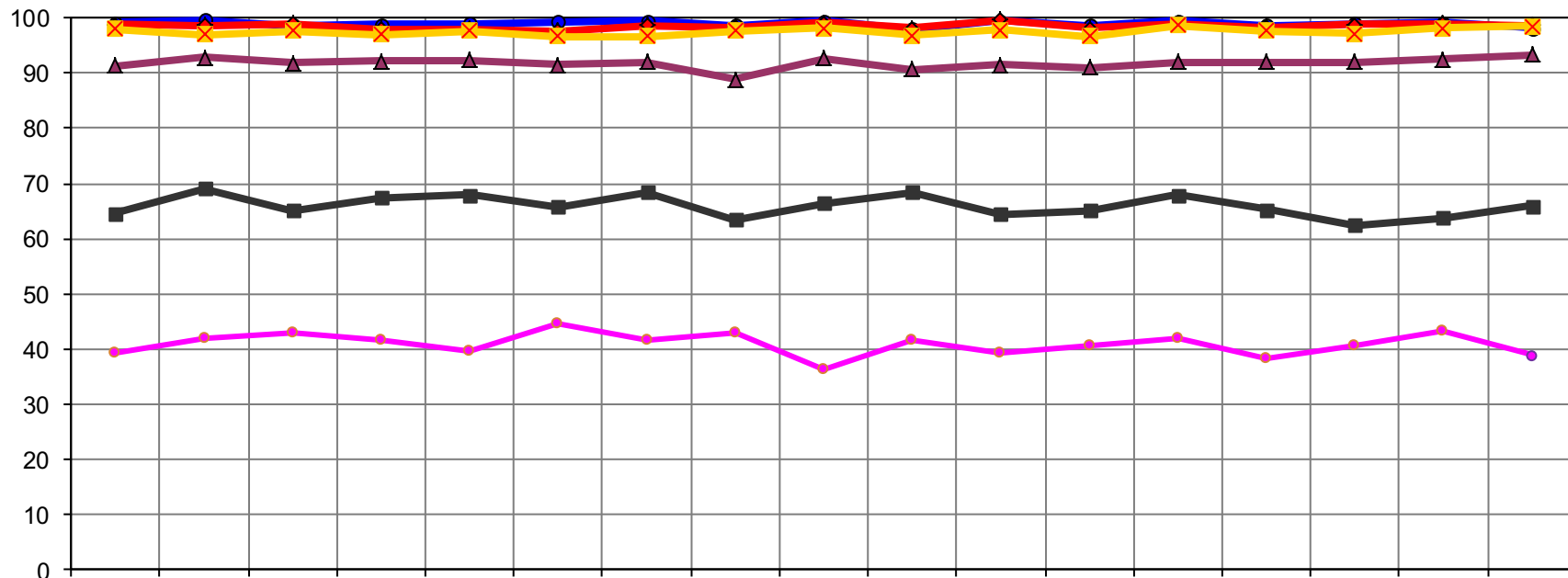
03/03	03/03	10/03	10/03	17/03	17/03	24/03	24/03	31/03	31/03	07/04	07/04	14/04	14/04	21/04	21/04	28/04	28/04	05/05	05/05	12/05	12/05	19/05	19/05	26/05	26/05	02/06	02/06	09/06	09/06	16/06	16/06	23/06	23/06
94.0	94.7	93.4	91.5	92.8	90.1	92.6	95.3	93.6	90.3	94.9	90.3	93.4	90.7	90.9	91.8	95.1	88.2	87.0	90.3	88.1	86.5	89.0	89.3	89.0	89.4	87.4	89.0	87.9	89.4	89.2	90.6	90.7	90.2
83.8	81.1	78.2	79.4	80.4	85.3	82.3	80.8	84.5	82.8	84.0	83.3	81.2	84.0	81.3	84.2	83.3																	
54.6	53.4	51.5	54.9	46.2	51.4	49.5	50.5	50.5	52.9	47.7	52.8	50.9	51.0	52.0	55.8	53.1																	
8.4	12.8	8.4	7.9	9.5	9.0	6.7	7.1	8.3	9.9	8.0	5.9	8.1	9.4	7.6	8.8	5.9																	
4.0	4.8	5.4	4.1	3.7	4.9	3.2	1.9	0.9	3.4	3.8	1.8	4.3	2.3	2.0	4.2	1.1																	

# Mobile communications brands Recall+ Recognition



## Notorietà totale (spontanea + aiutata)

“Parliamo di aziende che gestiscono reti di Telefonia Mobile. Quale azienda di Telefonia Mobile le viene in mente per prima?” “Oltre a questa, quali altre aziende che gestiscono reti di Telefonia Mobile lei conosce, anche solo per sentito nominare?” “Ora le leggerò alcuni nomi di aziende. Per ciascuna lei dovrebbe dirmi se la conosce come azienda che gestisce una rete di Telefonia Mobile.”



Valori percentuali su base totale intervistati (500 casi alla settimana)

Sett. terminante al

- TIM
- ◆ Vodafone
- × Wind
- ▲ 3
- Fastweb Mobile
- Bip Mobile

Sett. terminante al	03/03	10/03	17/03	24/03	31/03	07/04	14/04	21/04	28/04	05/05	12/05	19/05	26/05	02/06	09/06	16/06	23/06
TIM	99.2	99.7	98.8	98.9	99.1	99.4	99.5	98.7	99.6	98.0	99.5	98.7	99.5	98.8	99.0	99.2	98.3
Vodafone	98.9	98.7	99.0	98.0	98.0	97.8	98.8	98.4	99.2	98.2	99.8	98.2	99.1	98.4	98.9	99.0	98.7
Wind	98.1	97.0	97.7	97.0	97.7	96.7	96.8	97.7	98.2	96.9	97.9	96.7	98.7	97.7	97.2	98.3	98.6
3	91.4	92.9	91.9	92.2	92.4	91.5	92.1	88.9	92.7	90.8	91.5	91.1	92.0	92.0	92.1	92.5	93.4
Fastweb Mobile	64.6	69.1	65.1	67.5	68.0	65.8	68.4	63.4	66.5	68.5	64.5	65.1	67.9	65.3	62.5	63.8	66.0
Bip Mobile	39.1	41.8	42.8	41.5	39.6	44.6	41.4	43.0	36.3	41.5	39.2	40.5	41.9	38.3	40.5	43.1	38.7

2. How well does the audience understand our brand? (**brand image** and **perceived quality**. **Brand identity** and **drivers**)



## 2. Brand Knowledge and image

It means that the target is **aware** of the most essential **brand characteristics, features and benefits**

- They know the strengths of the brands as compared with competitive brands, they know **why they should buy a brand** instead of another
- This **knowledge is very subjective** and it is also **based on past experiences**





## How do we measure the «image»?

- First we identify the **characteristics** that **we want to be associated with our brand** and that explain consumer choice
- Then we measure **if** our target audience **associates them to our brand** and **to what degree (with a scale)**

# How do we measure the «image»?

Please rate the following brands of shampoo on each of the statements using a scale of 1 to 5, where:

- 1 means “Strongly disagree”,
- 2 means “Disagree”,
- 3 means “Neither agree nor disagree”,
- 4 means “Agree” and
- 5 means “Strongly agree”

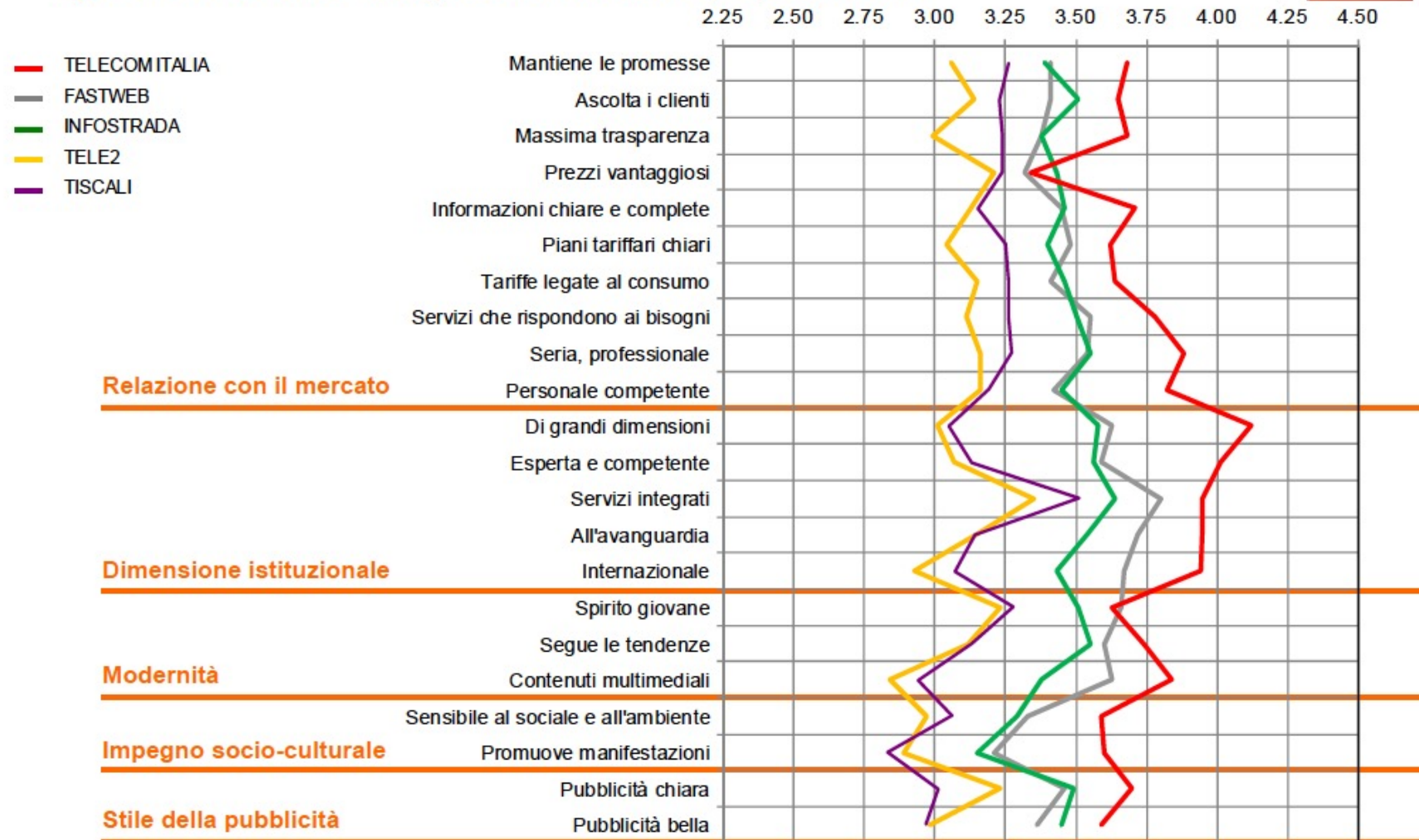
- a) Using [brand] makes my hair Shiny and Lustrous
- b) [Brand] makes my hair beautiful
- c) [Brand] prevents dandruff ...

Actual	Pantene	Organics	Vidal S.	Elseve	J&J	Sifone	Rejoice	Timotei	Optima	Average
Soft	36	20	18	11	18	13	12	6	6	15.6
Shiny, Lustrous	43	25	18	14	7	13	10	3	4	15.2
Beautiful	35	22	25	9	9	10	10	8	3	14.6
Nourish roots	35	<b>35</b>	14	11	7	8	8	4	4	14.0
Frequent use	30	15	12	8	24	10	10	9	1	13.2
Scalp healthy	33	22	13	8	6	9	8	5	2	11.8
Life, Body and Bounce	30	20	29	13	8	6	9	3	2	13.3
Value for money	20	15	13	5	19	20	12	4	2	12.2
Strengthens hair	23	43	14	10	5	5	8	1	3	12.4
Hair Expert	16	18	43	18	3	3	3	1	3	12.0
Prevents dandruff	11	6	3	3	3	9	13	3	0	5.7
Average	28.4	21.9	18.4	10.0	9.9	9.6	9.4	4.3	2.7	12.7

**Exhibit 1.5** Top 2 boxes (Strongly Agree/Agree) ratings for shampoo brands in a study for Organics shampoo.

# Telco operators' perception

Il profilo analitico dei gestori a totale popolazione



3. How much **loyalty** is the brand building?  
(**relationship** with customers and stakeholders)



## It's important to build brand loyalty

If people know our products or services, but **will not purchase again** or **recommend** them to their friends&family we might be

- Lacking relevance
- Lacking differentiation
- Lacking consistency

**Therefore, we need to reconsider all the branding process**



# What is loyalty?

# Loyalty is a feeling

1'58''



## Customer Loyalty

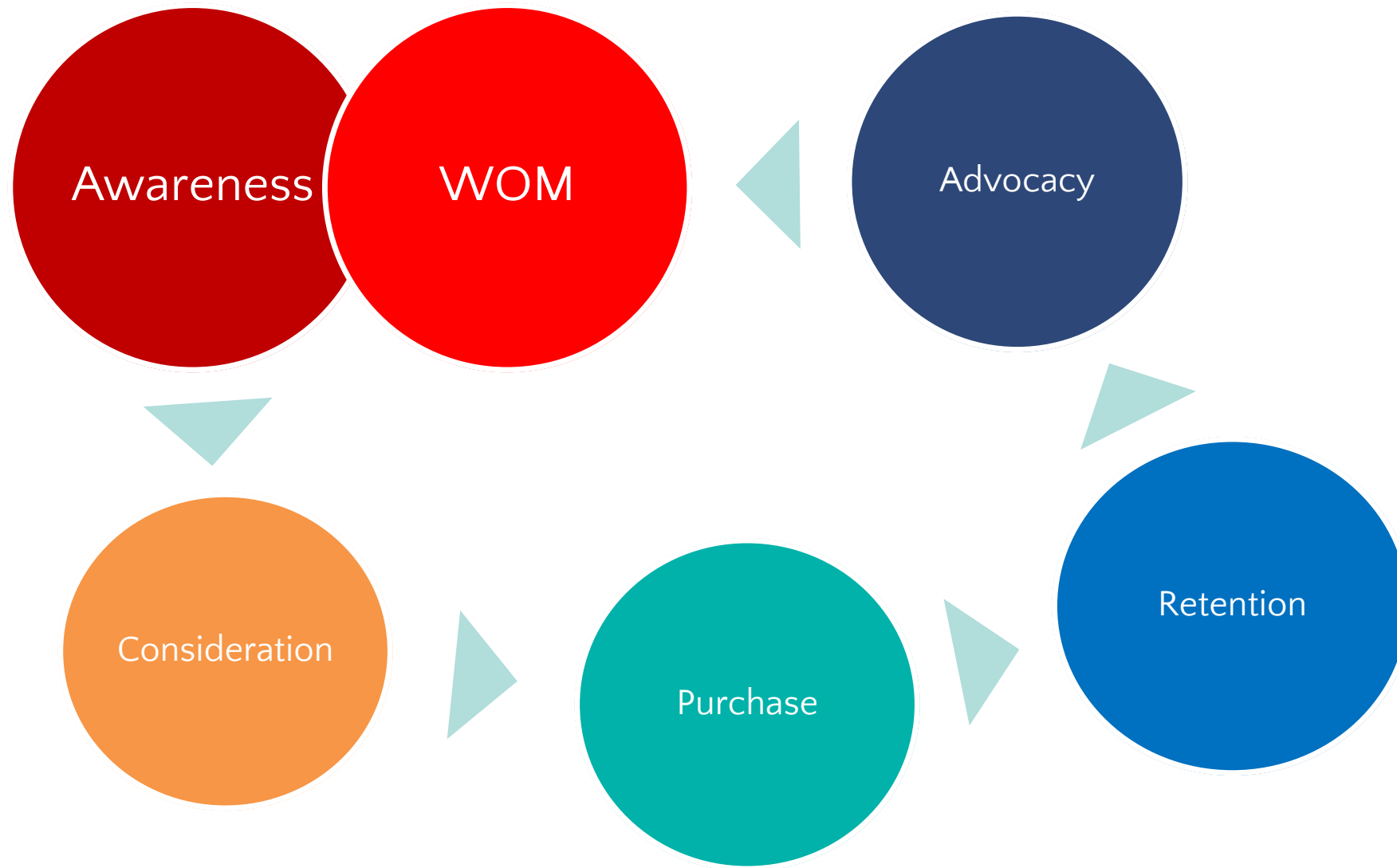
What happens when an organization builds and fosters a **relationship with a customer** based on **consistently positive experiences**



LinkedIn LEARNING



# We build loyalty throughout the customer's journey





# Brand loyalty is more and more important these days





# How is loyalty measured?



# Let's go to Menti.com



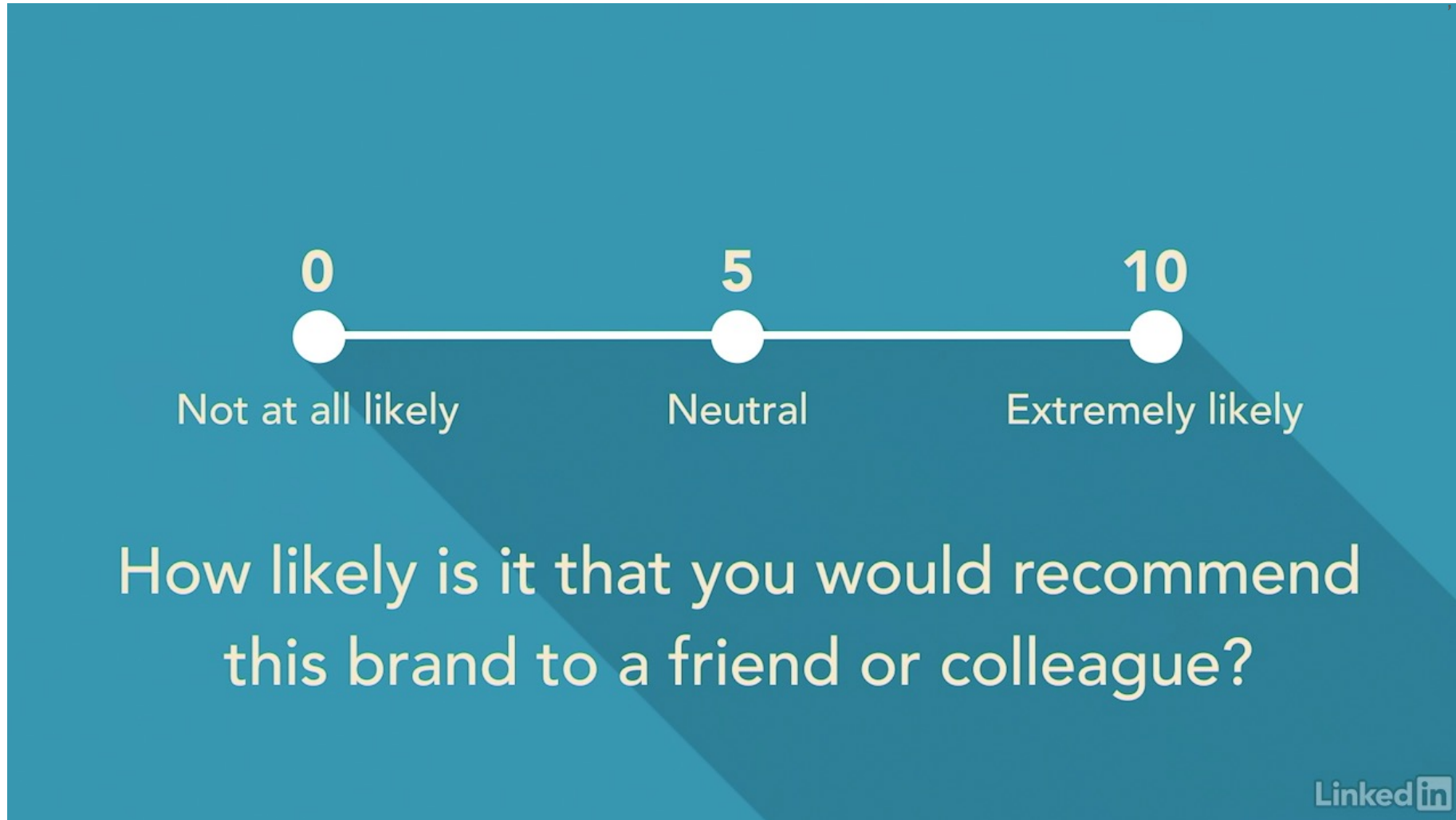
How likely it is that you would recommend this course to a friend?





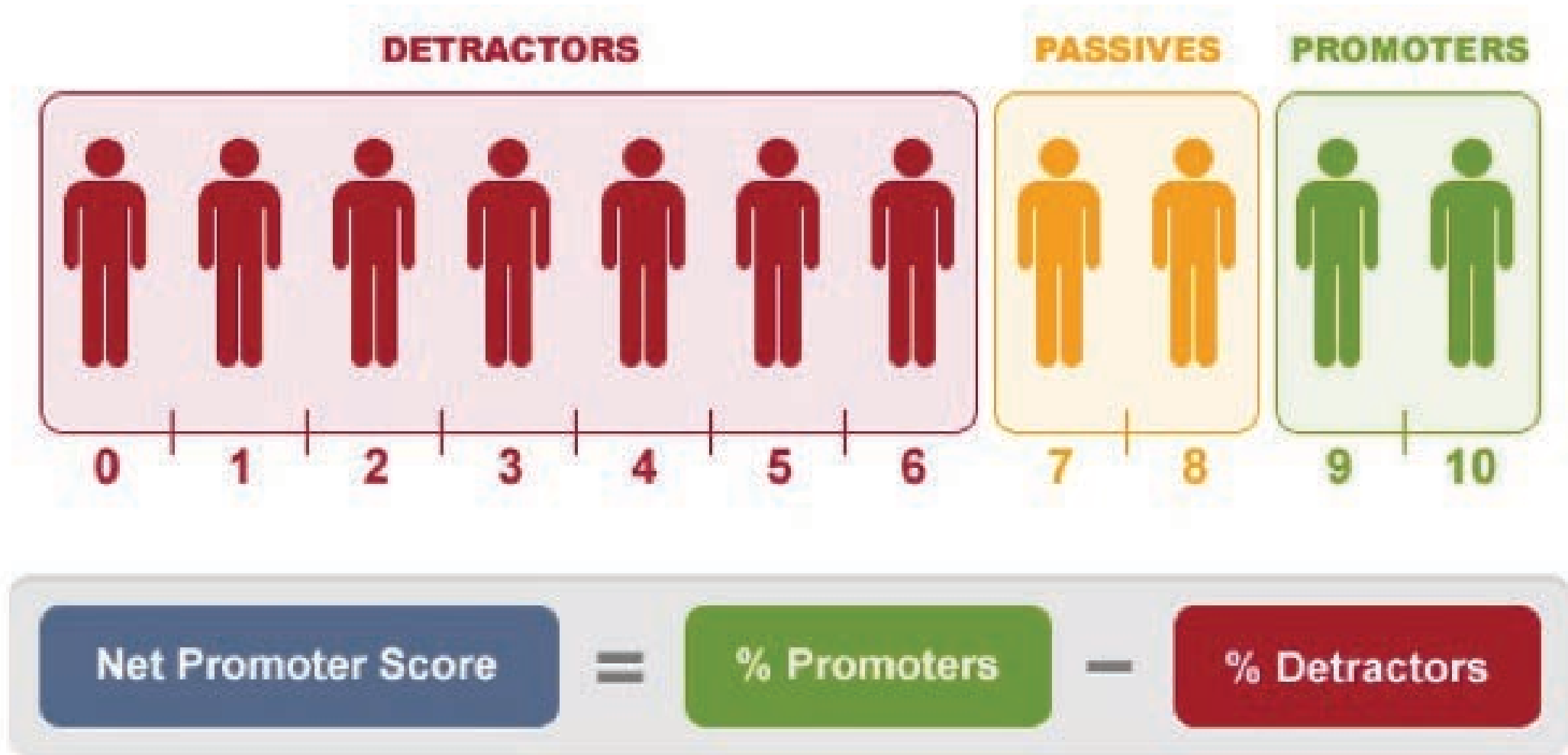
# We measure Loyalty with the **Net Promoter Score**

3'38'



Brad Batesole – Advanced Branding – LinkedIn Learning

# How to calculate NPS



**And we want to measure also  
internal factors**



## Internal factors to measure

**Internal brand assessment** is very important.

It's the **people who work in the company that keep the promise!**

### **Do employees:**

- 1. Fully understand the brand?** (mission, vision, values, brand personality?)
- 2. Understand target audience, customer insights and drivers?**
- 3. Have commitment to the brand?**
- 4. Protect the brand?**



# Brand audit





# Brand Audit

The **Brand Audit process** is a set of analysis aimed to **assess the current state** of health of the brand and help **identifying the potential** for its future development.



# Brand Audit

Through the Brand Audit the management can evaluate:

- The **mental dispositions of consumers** towards the brand (awareness, image, preferences, satisfaction, loyalty)
- The **value of the brand** (brand equity) and the economic and **competitive performance** (Share of market)
- The **opportunity** to introduce new products on the market
- The strengths and weaknesses of the **communication strategies** adopted



# Brand measurement

- There are **several assessment methodologies** developed by different agencies and research institutes:
  - **Brand Strength Score** by Interbrand
  - **BrandZ** and **CharacterZ** by Millward Brown (WPP Group)
  - **Lovemarks** by Saatchi&Saatchi
  - **IPSOS** Corporate Reputation
  - **Brand Asset Valuator** by Y&R
  - Etc.



# BrandZ Pyramid By WPP



# Brand pyramid represents the relationship with the customer



High share of wallet



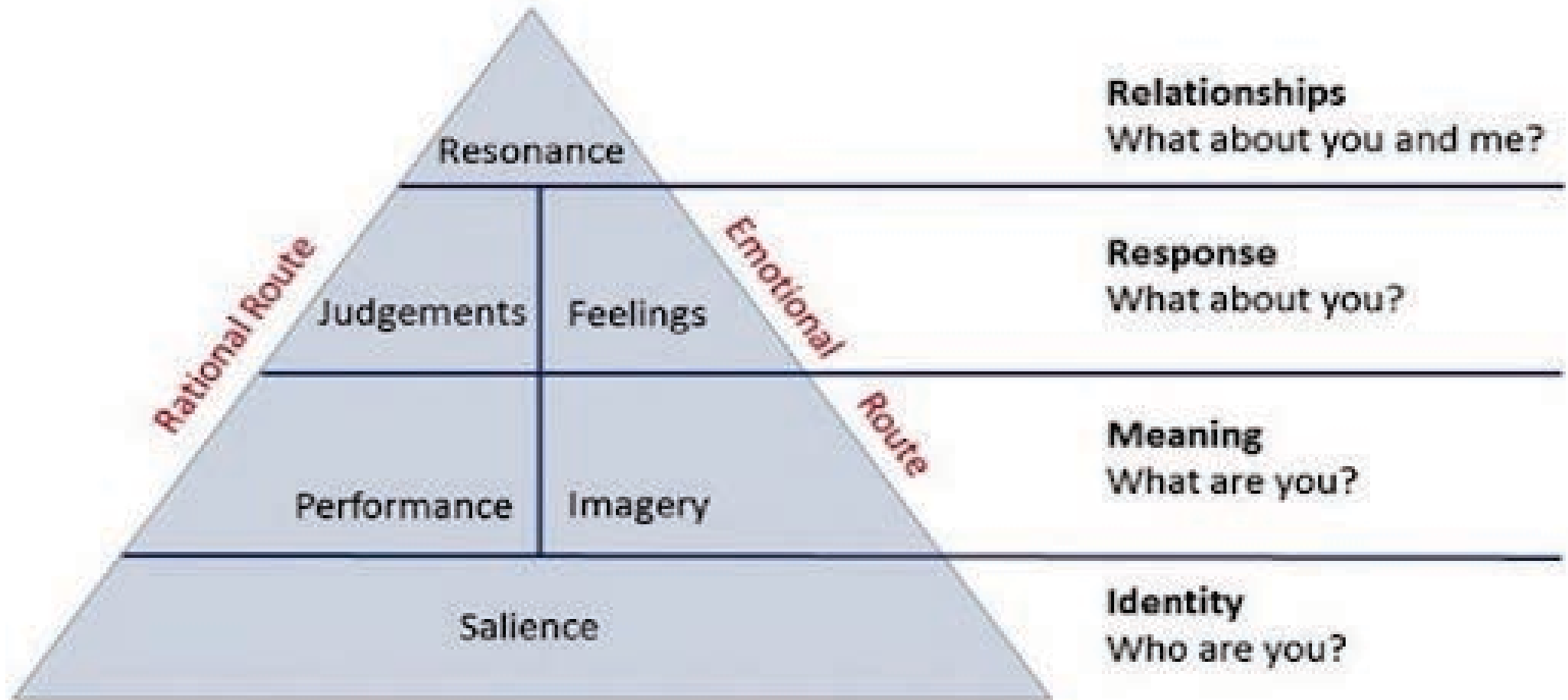
Low share of wallet

Represents the overall relationship b/w consumers and a brand

The 5 levels indicate hurdles consumers have to get over before they move up the Pyramid and are finally bonded with a brand



...It probably took inspiration from **Keller's brand equity model**



# This is kind of like dating...



# So now change the wording to talk about brands...





# Remember, though, that relationships can founder before they strengthen – and the same is true with brands



**2013**



Bonding

20

13

Advantage

34

56

Performance

42

77

Relevance

54

82

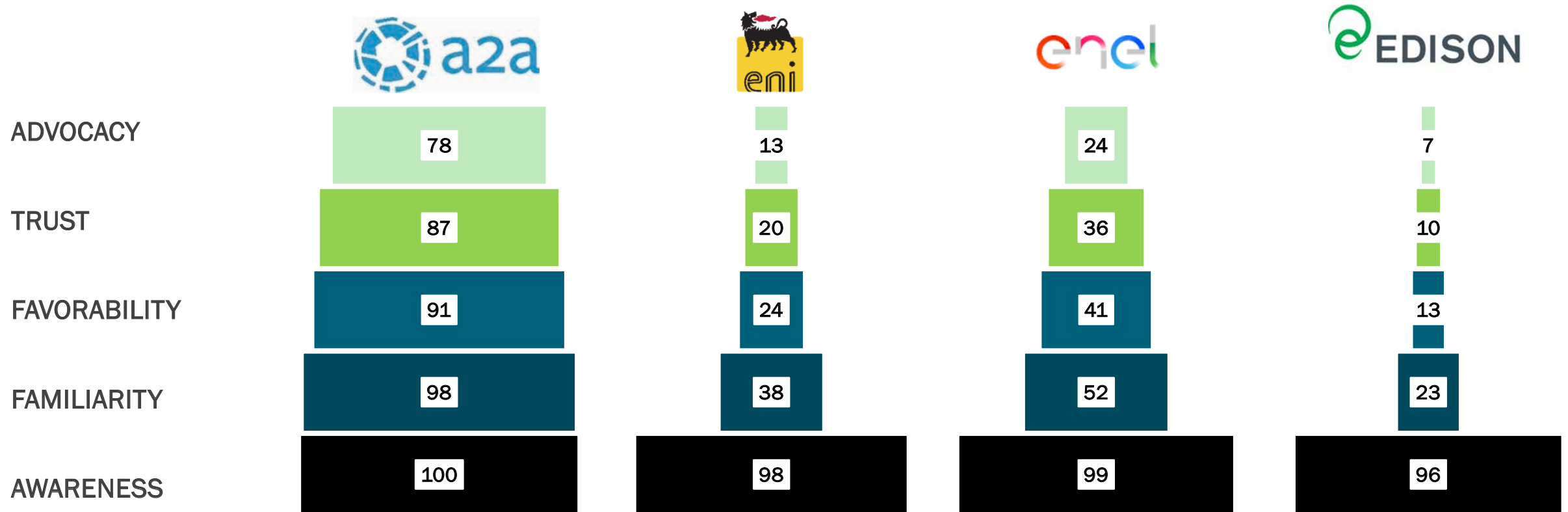
Presence

72

89



# This type of representation is very common



NB: i dati di familiarity di eni ed Enel sono contenuti in quanto il contesto del questionario suggeriva di ragionare sulla multi-utility

Base: tutti gli intervistati (800) Brescia

valori percentuali %



# Lovemarks di Saatchi&Saatchi



# Lovemarks Theory

- **Lovemarks theory** is based on a simple premise: **human beings are powered by emotion**, not by reason.
- This is the essence of the Lovemarks argument. If you want **people to take action** you need to **appeal to their emotions**.

Neurologist Donald Calne perhaps said it best:

“The essential difference between emotion and reason is that emotion leads to action while reason leads to conclusions.”

<https://www.brandingstrategyinsider.com/2013/08/brand-strategy-and-the-lovemarks-theory.html#.XCil5y2h12Q>



# Lovemarks explained by his author...

3'31''

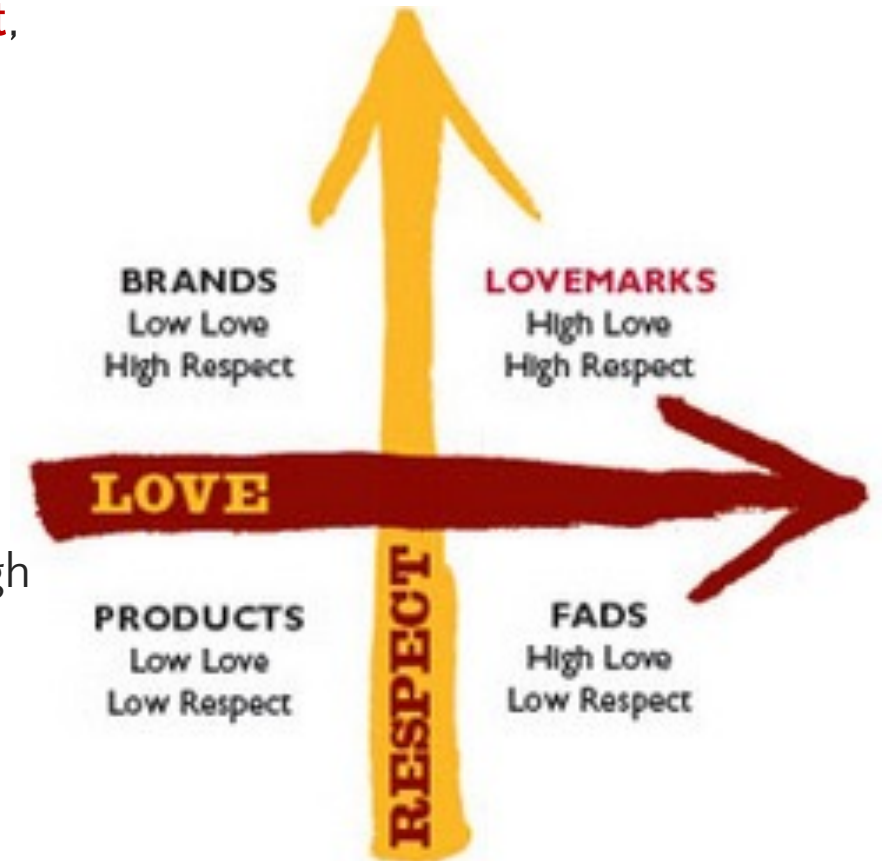


# The Love/Respect Axis

There are "two axes", one of which runs from low to high **respect**, and the other which runs from low to high **love**.

Following this scheme we have:

- **Commodities** (products) command neither love nor respect.
- **Fads** attract love, but without respect this love is just a passing infatuation.
- **Brands** attract respect, but without love.
- **Lovemarks** command **both respect and love**. This is achieved through the trinity of **mystery, sensuality, and intimacy**.



Wikipedia - Kevin Roberts, CEO of the advertising agency Saatchi & Saatchi.



# Lovemarks

Lovemarks are built on **Respect and Love**.

Without Respect, there is no foundation for any long-term relationship. However, without Love, brands are unable to move beyond transactional relationships into emotional relationships with consumers.

- The key elements of **Respect** are:
  - **Performance** (innovation, quality, service, value...)
  - **Trust** (reliability, commitment, openness, security...)
  - **Reputation** (leadership, honesty, responsibility...)

[http://www.saatchikevin.com/wp-content/uploads/2014/07/Lovemarks-Academic\\_Module-1-Teaching-Notes.pdf](http://www.saatchikevin.com/wp-content/uploads/2014/07/Lovemarks-Academic_Module-1-Teaching-Notes.pdf)





# What builds Loyalty that goes Beyond Reason?

The main question beyond this theory is "**What builds Loyalty that goes Beyond Reason**"?

Roberts suggests the following are the **key ingredients** to create lovemarks:

- **Mystery:**

- Great stories: past, present and future; taps into dreams, myths and icons; and inspiration

- **Sensuality:**

- Sound, sight, smell, touch, and taste

- **Intimacy:**

- Commitment, empathy, and passion



# BAV

## By Young&Rubicam



# Today is BAVGroup



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BRANDS & CULTURE

WHO WE ARE

CAREERS

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HOME

**60 THOUSAND BRANDS, 50  
COUNTRIES, 28 YEARS OF BRAND  
DATA**

## ABOUT BAV<sup>®</sup>

BAV is the world's largest and leading empirical study of brands. We help our clients not only understand a brand against its category, but also provide insight into its larger role in culture. Developed with academic partners at Columbia, MIT, Dartmouth, and the University of Washington, BAV uniquely captures the key dimensions that drive brand momentum, advocacy, and financial success in the marketplace.

TRY OUR TOOL

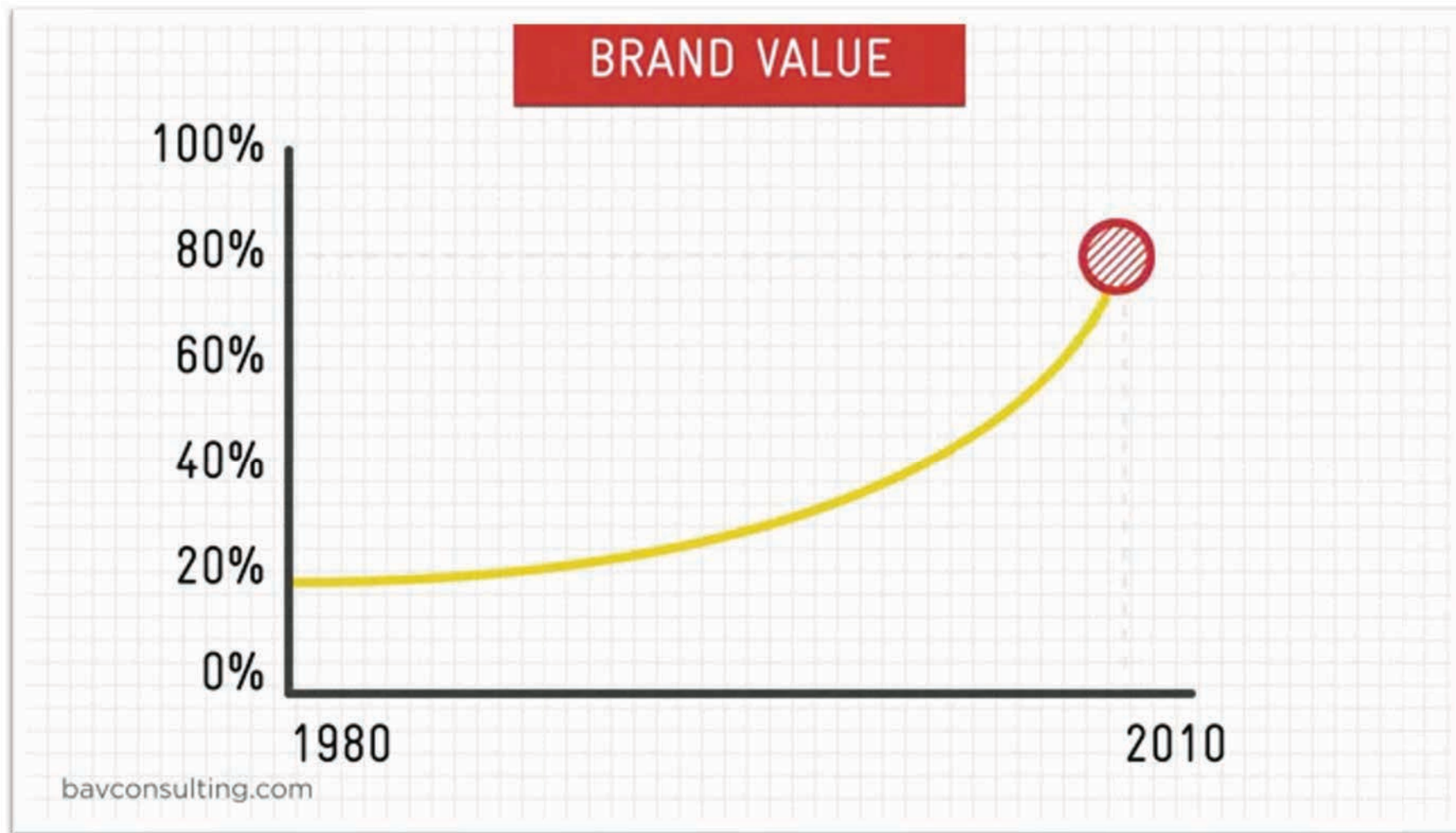


<https://www.bavgroup.com/about-bav>



# Brand Asset Valuator

4'07''



[https://youtu.be/K5LG\\_Pc3P04](https://youtu.be/K5LG_Pc3P04)



# Brand Asset Valuator

- BrandAsset<sup>®</sup> Valuator (BAV<sup>®</sup>) is the **world's largest and leading empirical study of consumer brand perceptions.**
- Since 1993, BAV has measured over **60,000** different **brands** on **75 consistent brand image and equity metrics.** This data has accumulated across **50 countries**, resulting in over 9 billion data points.
- BAV is not only a **research on brand value**, but also a **theory on the growth and decline of brands**, supported by periodic surveys.



## How it works

- There are **2 main assets** (XY axes) that form a grid:
  - **Brand Strength** (that depends on **Differentiation & Relevance**)
  - **Brand Stature** (that depends on **Knowledge & Esteem**)

# How it works

BAV\* measures brand qualities and metrics that drive marketplace success.

## Brand Strength

Future growth potential



**DIFFERENTIATION**



**RELEVANCE**



**ESTEEM**



**KNOWLEDGE**

## Brand Stature

Current operating value



# Brand Life Cycle

These assets do not occur simultaneously.

Every brand, from the moment of birth to that of the eventual disappearance, **follows a life cycle**





# Brand Life Cycle

These assets do not occur simultaneously.

Every brand, from the moment of birth to that of the eventual disappearance, **follows a life cycle**

1. In the **early years** (new, with unexpressed potential) the (healthy) brand develops its **original identity (Differentiation)** that will have to satisfy the consumer's needs (**Relevance**)



# Brand Life Cycle

These assets do not occur simultaneously.

Every brand, from the moment of birth to that of the eventual disappearance, **follows a life cycle**

1. In the **early years** (new, with unexpressed potential) the (healthy) brand develops its **original identity (Differentiation)** that will have to satisfy the consumer's needs (**Relevance**)
2. In the **adult phase** (increasing potential) the brand can form its **Stature**: obtains the **Esteem** of the consumer and becomes a life partner (**Knowledge**)



# Brand Life Cycle

3. The brand become great (**The Momentum Leader**, than **Mass Market**, with less potential) and must **defend its asset**. In particular, it will tend to lose the characteristics of youth (the strength of diversity)

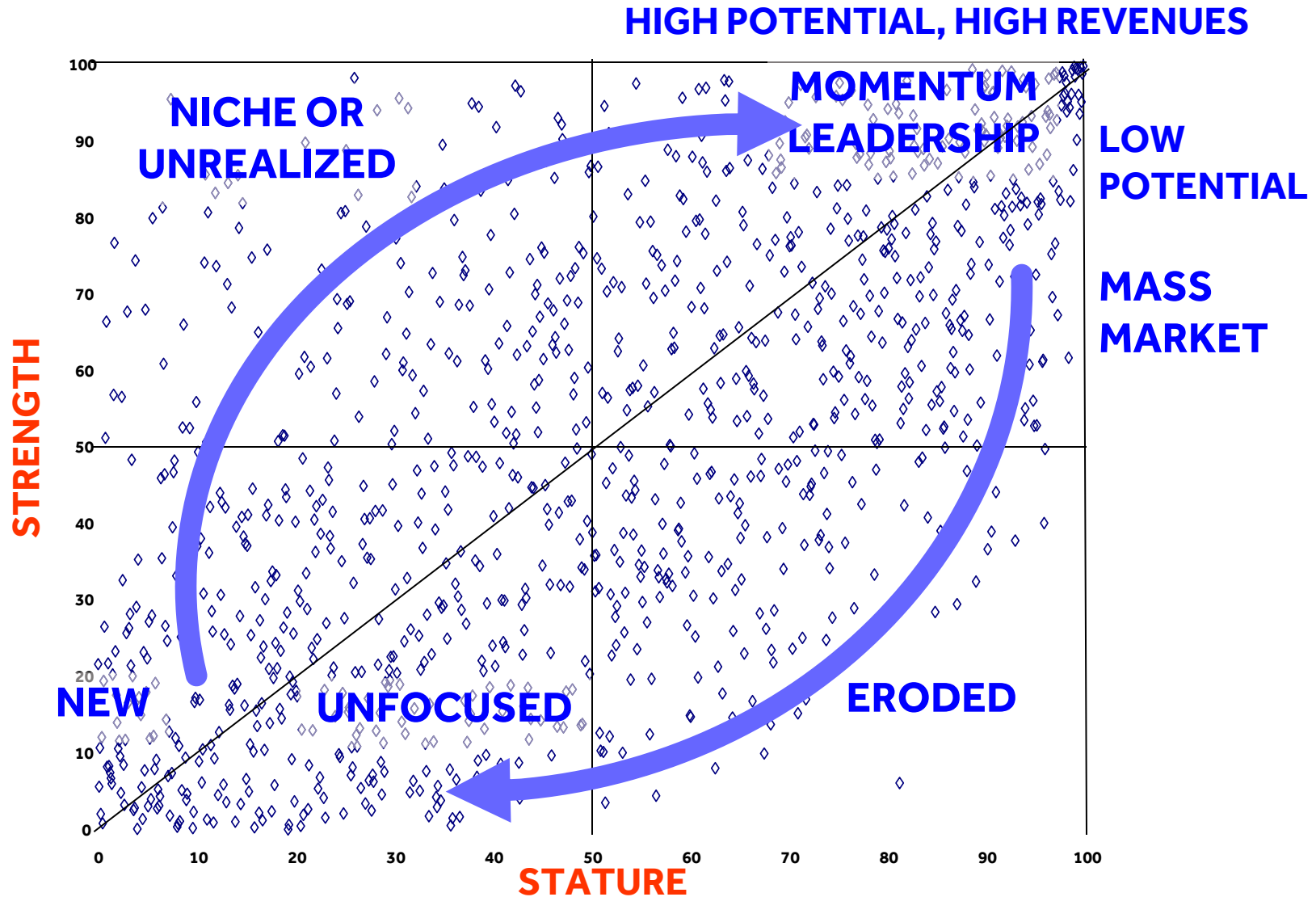


# Brand Life Cycle

3. The brand become great (**The Momentum Leader**, than **Mass Market**, with less potential) and must **defend its asset**. In particular, it will tend to lose the characteristics of youth (the strength of diversity)
4. In the absence of successful activities (potential loss, decline, out of focus) the brand travels the reverse path, become **Eroded** and loses not only Strength, but also Esteem and Knowledge (stature)



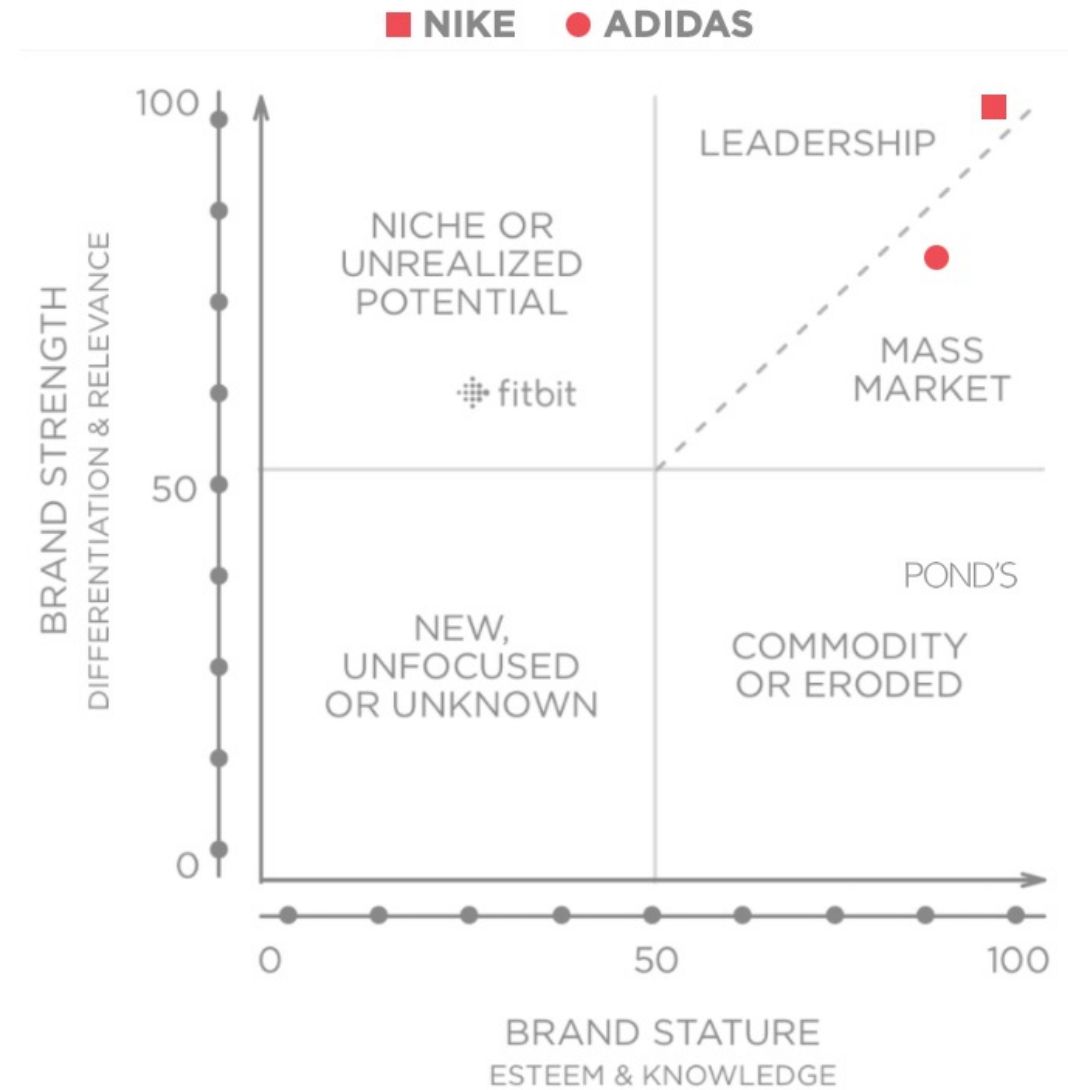
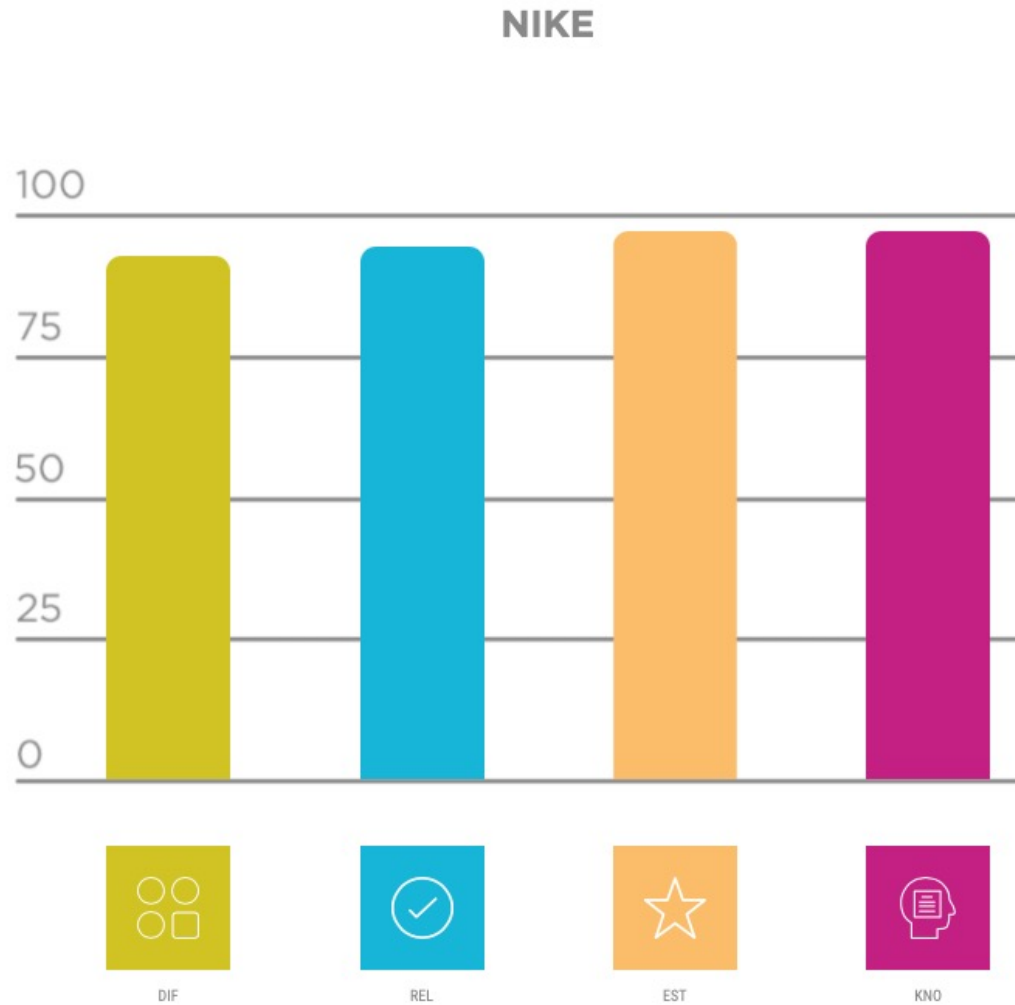
# BAV<sup>®</sup> LIFE CYCLE





# <https://www.bavgroup.com/about-bav/brandassetr-valuator>

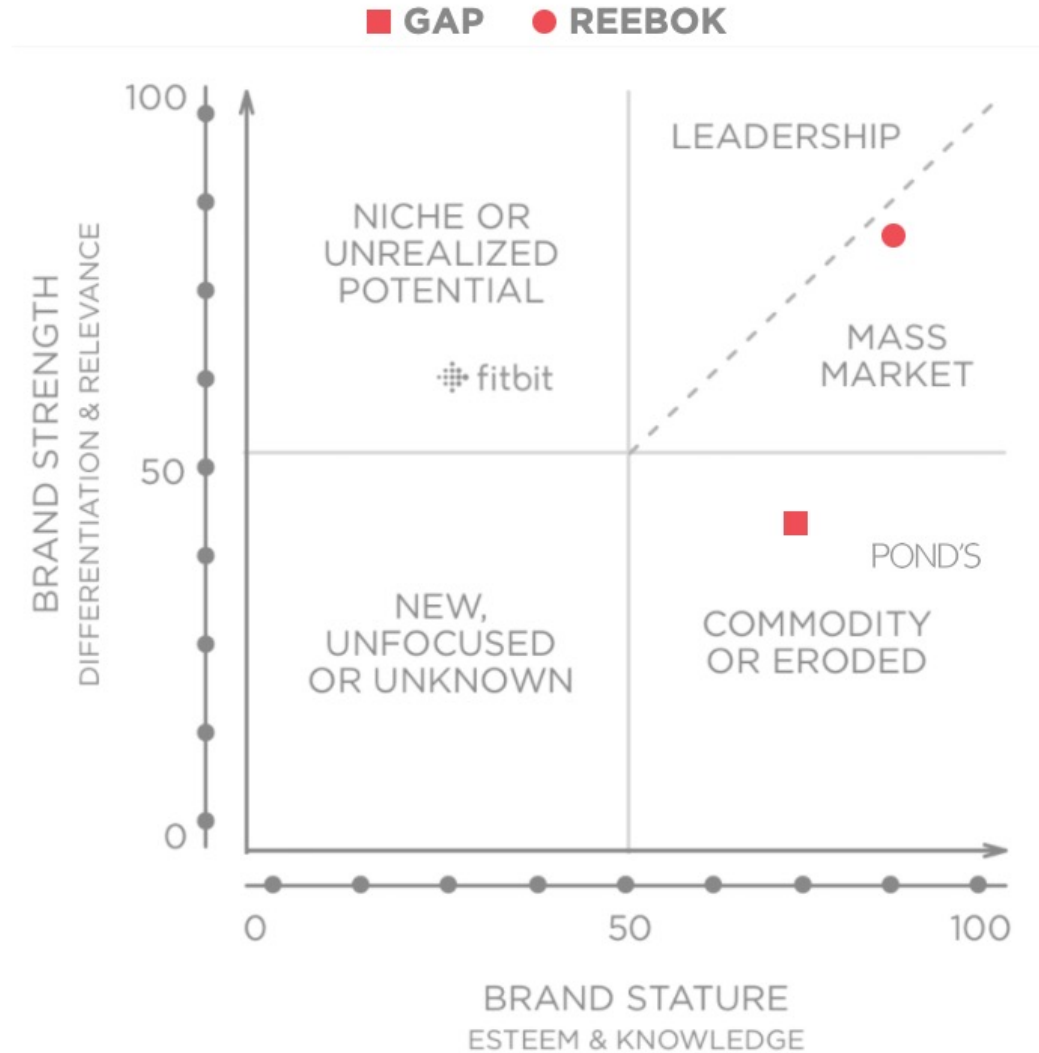
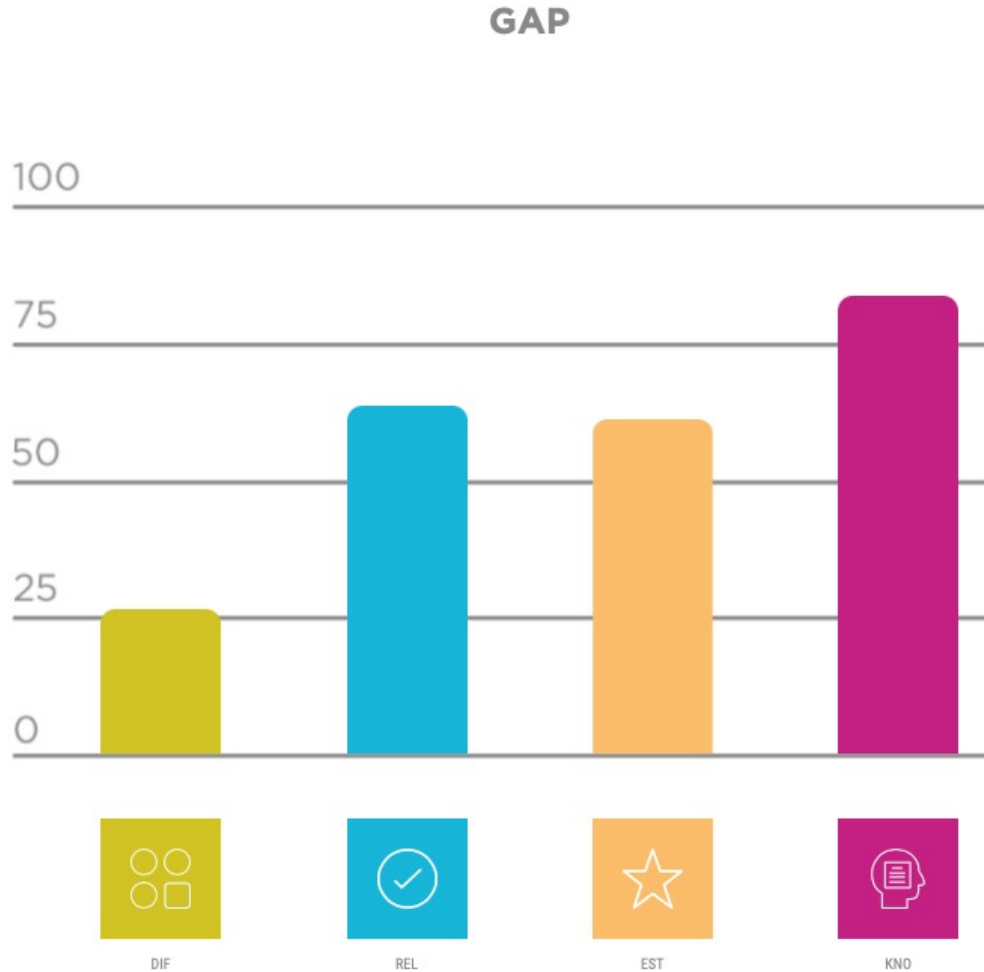
## Nike Vs. Adidas





# <https://www.bavgroup.com/about-bav/brandassetr-valuator>

## GAP Vs. Reebok





# Branding Building Process

1. Define and position the Brand (Vision, Mission, Values)
2. Express the brand
3. Build awareness and reputation for the brand
4. **Measure the brand**

**...and our program is over!**





# Ready for the last Kahoot test?



**14\_Brand\_equity\_Brand\_audit**

stellaromagnoli

9 Questions

# Fonti

- Alberto Pastore, Maria Vernuccio – Impresa e Comunicazione – 2008
- Branding Foundation – Drew Boyd – Lynda.com
- Brad Batesole – Advanced Branding – LinkedIn Learning
- [www.lovemarks.com](http://www.lovemarks.com)