Predict brand success

Brand Keys' **Robert Passikoff** and **Amy Shea** describe how the ideal brand architecture can be structured by using Leading Indicator Metrics for the brand and its category

A traditional brand architecture is generally thought of as a way brands can be structured within an organisation to maximise sales and profitability. The traditional brand architecture usually provides a 'blueprint' that identifies how brands are differentiated from one another, how the corporate brand and sub-brands relate to and support one another, and how all of the brands support the core values and/or brand equity of the corporation.

In the textbook model, architectures for brands are generally built at one of two different levels. The 'top floor' type architecture is usually occupied by the parent, or corporate brand. In the second type, families or sub-brands, representing different product and service divisions of the corporation, occupy the 'floors' below. Following that blueprint, it won't surprise readers to discover that this generally results in one of two very different looking brand structures, neither of which is necessarily predictive of success.

The first is an architecture that acts like an umbrella, which, if all goes well, seamlessly covers all products and services under one roof, as it were. Think American Express and a Cristo design. This can be a useful brand structure if the corporate brand is both sufficiently broad and robust enough to cover many different products and services. The second approach is characterised by the building and maintenance of different brands for different product and service categories. In this case, think Procter & Gamble and Philip Johnson designs. This only works if the corporation has the financial wherewithal to support large numbers of individually branded products and services.

The bottom line? A well-designed brand architecture should provide strategic and marketing clarity for internal constituencies, and ideally should also provide clearer and more differentiated product offerings to external customers.

But saying it, doing it, doing it profitably, and doing it predicatively are four entirely different things. The difficulty with the traditional brand architectures – from a metrics perspective – is that they are generally built upon lagging measurements of what has happened previously, which puts you on shaky ground if you are trying to anticipate your upcoming sales cycle or next year's holiday marketing plan.

If you want to be able to predict brand success, your brand architecture needs to target where its customers are heading – or at the very least, include an element that represents a leading indicator, that is to say, something that provides a predictive foundation for brand planning. Truly predictive metrics can incorporate, but they never rely on, historical data or imagery scales. Brands need to understand not what consumers have done, or even what they are doing, as much as why they are doing it – and how those reasons relate to the usual fodder that's part of the traditional brand architecture archetype.

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Brands spend a great deal of time trying to understand the personalities, habits and attitudes of those they believe are their customers. But knowing someone's characteristics, even very well, does not necessarily mean you know what they are going to do – as anyone in a close relationship can tell you. What frame that person is using to make choices, how she or he approaches the brand's world, is the doorway of being able to predict a sale, the ultimate test of a brand architecture's integrity. The absence of this category framework is why brands that rely on traditional brand architectures often find that they have to resort to tired image advertising and price promotion rather than ownable points of differentiation – both rational and emotional.

Brand blueprints are rarely fused with real measures of consumer expectations and desires, and thus brands are left knowing an awful lot about people, and even more about their products, but not where the two actually intersect on the brand blueprint. The understanding that comes from this intersection of category and consumer is what predictive metrics – and brand architectures that allow marketers to predict brand outcomes – are all about.

Because the traditional brand architecture often fails to build in this hierarchy of reasons – especially the emotional ones – for why consumers make the choices they do within the brand's category, the non-predictive aspects of the architecture will lead to a weakened marketing plan – no matter how creative or how well-financed the positioning or approach.

In these cases, design and outcomes can sadly, and often expensively, differ. If you want your brand architecture design and its outcomes to be seamless and predictive, then you need to make sure that your blueprint includes a major support beam, labelled the 'Consumer Ideal'.

The consumer carries an ideal in their heart and mind, yet it almost never appears on the final blueprint. It's an ideal that is category-specific and it tells you precisely what consumers wish existed. Properly configured, the ideal can tell you how consumers view the category, how they will compare offerings, and, ultimately, how they will behave positively towards the brand. The ideal tells you what they really expect, unconstrained by either reality or articulation. And when that ideal is examined against what does exist – the brand and its competitors or a marketing scheme – it offers clear blueprint and strategy for creating success for the brand.

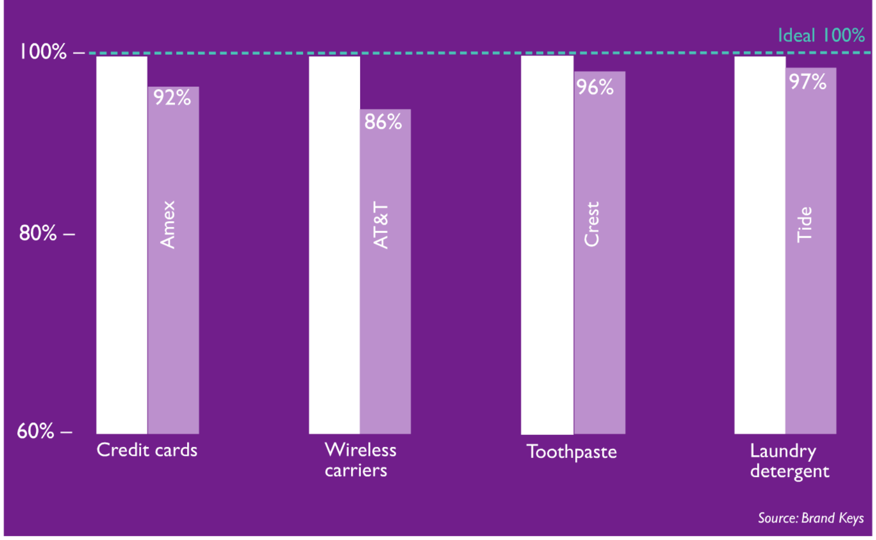
The metrics that turn architectural planning into prediction are based on a model for identifying the category Ideal, one that relies upon an engagement-based assessment that 'fuses' emotional and rational values that govern brand engagement and customer behaviour. It is a combination of indirect, psychological inquiry and higher-order statistical analyses. The questionnaire has a test/re-test reliability of .93 off National Probability Samples in the US and UK and has been used in business-to-business and business-to-consumer brand strategy and media scenarios in 30 countries. The output has three parts that can easily be integrated organically into the standard brand architecture design.

The first element is an identification of the category drivers that define how the target audience views the category, compares brand offerings, and, ultimately, how consumers will behave in the marketplace.

The second element is real, unconstrained-by-reality expectation levels for the drivers in the category.

The third output element is the identification of the percent contribution made to engagement and sales by any marketing element or variable included in the assessment. This can include any consumer or category attribute, benefit, or value,

FIGURE 1
±5 points is required for a significant difference at the 95% confidence level

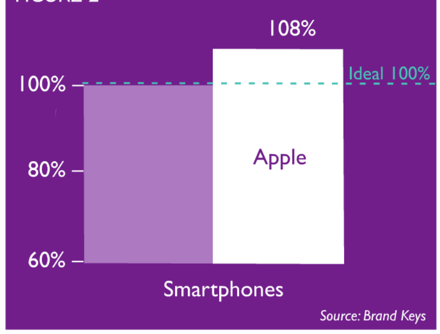


corporate vision, risk assessment, or product opportunity, and can be quite useful in creating predictive brand planning strategies.

By identifying how consumers view the category and by understanding in which drivers various tactical, category, and imagery items reside, brands that are 'built' to those architectural specifications generally meet – and can even exceed – expectations, and are successful in their marketing and communication efforts. While building a predictive brand architecture from the beginning is preferable, brands that have not can still use this approach to sequence initiatives and fine-tune outreach, based on the consumer's ideal brand. But take a look at Figure 1, which shows how two 'Cristo' brand architectures predicted results for their brands, and how a 'Phillip Johnson' brand architecture approach worked for a couple of others.

Properly configured, all of the standard elements and data used as materials and building blocks in traditional brand architectures can be optimised and made predictive if the category Ideal is included. Once the brand understands how the consumers' ideal in its category is organised and what drives decisions, it permits a close-up view of how to get there, according to the consumer – more a map than a blueprint, but nobody argues with success. Thus these metrics provide a brand

FIGURE 2



architecture that is predictive and synergistic, category-specific and consumer-organic. Think Apple meets Frank Lloyd Wright. From a predicting success perspective, that ends up looking like Figure 2.

Because such brand architecture metrics correlate very, very highly with positive consumer behaviour, it is possible to not only identify how to best structure and manage portfolios of brands, but to actually identify where the consumer-to-brand relationship exists on category-specific and cross-category bases, which, if properly acted on, will keep the consumer happy and the brand in the black.

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