



Peter Shaw, founder of agency Brand Catalyst and former strategist at Research International, Saatchi & Saatchi and Corporate Edge, discovers a statistical approach to building and assessing brand values – for the more deductive among us

The truth is out there



Moment of Truth: Redefining the Marketing Agenda

by **Andreas Bauer, Björn Bloching, Kai Howaldt and Alan Mitchell**

Published by **Palgrave Macmillan, £25.00**

reminded that in Greek mythology, Ariadne used a piece of thread to guide her lover Theseus safely out of the labyrinth, avoiding its many dead ends and perils. Value-based brand management is described in this book as the thread to guide us safely and successfully through the marketing maze.

The other challenge, we are told, is for chief executives to embrace brand

management as a cross-functional strategic process and to organise and structure their companies accordingly. Again, a battle cry often heard before, but one that is evidently heartfelt by the authors.

The central tenet of the book is that brands should be defined by the values of the people that buy them rather than owners trying to fit customers to the val-

The authors of *Moment of Truth* – three consultants from German consultancy Roland Berger and regular branding writer Alan Mitchell – are brave. They claim to offer a new approach to brand management. Braver still, they stake their claim to the oldest truth in the branding book: values are more important to brand management than tangible products and services.

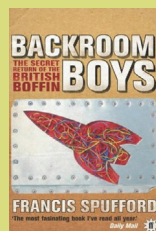
But before jumping up and down in righteous indignation, look a little further and you will find a rigorous approach that has been successfully deployed by an impressive range of international brand owners.

The book starts with a bold and no-holds-barred description of the parlous state of brand management today; the lack of consistency and rigour, the way marketing is treated as a bolt-on, the limited insight into customers, the curse of internal politics and bureaucracy and the lack of a common language between company functions.

It is the importance of a common language, or thread, that is taken up as a theme running through the book. We are

Three from me

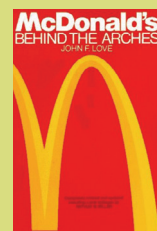
Peter Shaw also recommends ...



Backroom Boys
By **Francis Spufford**

Faber and Faber, 2004, price £8.99

Six brilliantly told stories of major twentieth century innovations. The stories focus on how great innovation depends as much on the sweat and commitment of individuals to crack a problem, as it does on any grand vision.



McDonald's Behind the Arches
by **John F. Love**

Bantam USA (1995 ed.), £9.14

This is the inside story of how McDonald's became what it is, with its revolutionary approaches to franchising, supplier relationships, commercial contracts and product development. Irrespective of your view of the brand, it is a fascinating insight.

ues of their brands. This approach is based on a research exercise conducted by the Roland Berger consultancy across many countries, from Europe to Asia and the Americas.

The research was initially funded by a consortium of manufacturers and retailers who wanted a reliable and consistent view of customer values, across markets. Through this research, 2,000 statements were whittled down to 80, which in turn were clustered into values, of which 19 were determined to be consistent across most markets.

Using a judicious mix of statistical analysis and judgement, these 19 values were then clustered to create 'consumer archetypes' by market, each one varying in the type and number of archetypes. For example, Germany has eight archetypes: Performers, Humanists, Maximalists, Dreamers, Hedonists, Minimalists, Traditionalists and Individualists. Portugal has nine archetypes: Emotionalists, Individualists, Rationalists, Egocentrics, Prog. performers, Maximalists, Conservative traditionalists, Minimalists and Liberal traditionalists.

This is all good segmentation stuff, but of particular interest are the maps used to illustrate how people's values relate to each other and the degree to which each archetype is attracted or not by each value. Contours on these maps pleasingly identify 'hills of attraction' and 'valleys of repulsion'.

The book goes on to describe how statistical analysis is applied to show the relationships between consumer archetypes and brands, where they fit, where they don't and how the brands can be improved to fit better. Many examples are given across a number of different markets and brands, illustrating the way archetypes can be assessed for their affinity to particular sectors, propensity to buy and spending potential.

Joint-space analysis is used to show the relationships between brands and archetypes in given sectors, where they sit now and where they might extend. This technique is demonstrated with the example of the fashion retail sector in Germany, where the current position of the retailer Esprit is pinpointed and potential areas for brand extension are identified.

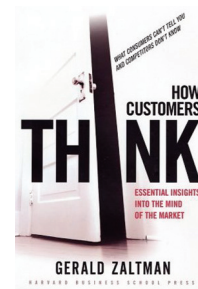
Further refinements on this process include Target Value Propositions (TVPs) and Brand Strategy Scorecards. TVPs represent the values that a brand needs to focus on if it is going to be successful. The example of a telecoms brand is given which needed to move away from Thrill & Fun and New & Cool, towards Proven, Quality, Service, Clanning, Care-free and Vitality. Brand Strategy Scorecards are designed to reconcile clarity and uniqueness of brand positioning with economic potential.

The messages in this book will certainly appeal more to some company cultures than to others. Many will baulk at the idea that such things as values and motivations can be reduced to 19 values and between seven and nine consumer archetypes across many markets, while others will delight in the thought of relying more on science than hunch and judgement.

In this world, where marketing directors stay in a job for an average of 18 months, experience-based judgement is in short supply, so there is an evident demand for the type of approach that is described in this book.

From the bookshelf of...

David Williams, chief executive of H2X
How Customers Think: Essential insights into the Mind of the Market
 By Gerald Zaltman



As a designer of customer experiences, connecting with consumers in a truly engaging way is fundamental to my work. With 80% of new product

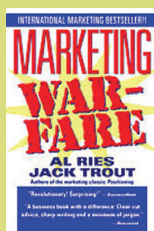
developments failing, I always felt there had to be a better way than traditional research techniques to get under the skin of consumers.

In this mind-opening book, Zaltman argues that 95% of our thinking happens in our unconscious. You've thought about it, before you've thought about it. He shows how consumers' individual and collective minds work and how some of the leading companies are exploiting this understanding.

He grounds quite stretching theory with practical examples. You may need to read a couple of the chapters twice to really understand what he is getting at. For me, the book helped explain how the sensory and emotional side of products and services have had as much impact as the functional attributes.

In particular, great experiences are about creating truly memorable emotional out-takes. Now, I always try to use some form of metaphor elicitation in my projects (using pictures to gain deeper insights into consumers desires and feelings).

Zaltman shows how using the right "clues" helps consumers create the right associations with a brand. It's a must read for progressive marketers.



Marketing Warfare
 By Al Ries and Jack Trout

McGraw-Hill
 Publishing (2005
 ed.), £14.99

An antidote to books that say 'the consumer is all'. This marketing classic focuses on how to beat the competition by out-thinking them, taking powerful examples from ancient military generals to modern guerrilla tactics.