
KANTAR
TALKS
19
11 SEPTEMBER
BRITISH FILM INSTITUTE
SOUTHBANK

FUSE

These are challenging times for the UK and its brands. Brexit-related uncertainty and policies of austerity have affected businesses' appetite to invest in all aspects of their operations. This pressure comes as consumers reappraise the way they live and shop in light of their own shifting priorities. Business growth has not disappeared, it has just evolved and is sitting in more uncomfortable places… but what does this new growth look like?

Following this year's Kantar Talks, we take a look at some of the inspiring and insightful sessions, with a specific focus on insights and measurement, and give our view on what they could mean for your business.

CONTENTS

REVEALED! BRANDZ™ TOP 75 MOST VALUABLE UK BRANDS 2019

Understandably growth is on the agenda of the majority of brand's minds, however it is increasingly hard to find across multiple sectors within the UK. Multiple industries have cited that in the UK, the tough and uncertain economic backdrop created by years of austerity and Brexit is putting pressure on brands, as highlighted by Rachel Eyre, Head of Future Brands, Sainsbury's and David Wheldon, CMO, RBS. Alongside this, multiple industries are going through rapid change due to new entrants such as fintech in the retail finance space and purpose centric shopping taking away from one-stop shop supermarkets.

Martin Guerrieria, Global Research Director, BrandZ discussed the reasons why brands often fail to grow:

- Can't see how to grow – simply put, they are in a place whereby they are not sure how to change their model or positioning to enable brand growth
- Can't reach/get there – despite changes to their business they continue to plateau, and growth seems always out of reach
- Can't afford it – growing a large brand isn't cheap. It can often cost a lot from both a structural and marketing point of view and brands don't always have the investment required
- Can't do it – with brands that are aware that they need to change and how they must do it, they still lack the skills or organisational structure to facilitate growth

Unfortunately, the current outlook for brands is not good. Despite the global economy growing 3.7%, the UK's top brands have decreased by 3% and it is predicted by 2023 there will be no UK brands in the Global 100 compared to the three there in 2019.

However, this does not mean growth is impossible. In fact, several companies within BrandZ's Top 75 Most Valuable UK Brands have achieved considerable growth. Three years ago, BrandZ highlighted the top brands that were perceived by customers to be the most innovative, in the three years since, these brands went on to grow by 9%.

The panel highlighted that being a well-known brand is not enough. A brand that is very salient amongst consumers, but does not differentiate when it comes to being meaningful or different has a real threat of declining. In the UK most, big brands that have ceased to trade this side of the 20th century (e.g. Woolworths, Comet and Toys'R'Us) have had a great salience index at 110+ but really lacked meaningful difference at 80-90.

Compare this to high performing challenger brands in the fashion sector such as ASOS and BooHoo that have a low salience at 78 but a difference of 113. This is even starker in the retail banking sector where most big brands tend to be clustered around the 100-average compared to Monzo that has a difference score of 174 and is one of the faster growing brands within the sector.

FUSE VIEW

If you subscribe to the view that mental availability (brand salience) is largely driven by the quantity and quality of interactions that people have with your brand, then partnerships are a fantastic platform to build these associations. This can either complement or supersede advertising (particularly when campaigns are "off air") through the 'emotive' medium of sport, entertainment and culture. Similarly, partnerships also provide brands with the opportunity to let their distinctiveness shine in a way that builds brand salience. Differentiation comes primarily through activation – telling a story that is compelling to people while also being 'different' from the rest.

USING ARTIFICIAL INTELLIGENCE TO MEASURE EARNED MEDIA IMPACT

It wouldn't be a marketing conference without the mention of artificial intelligence (AI) and machine learning (ML).

Historically earned media has been scared of measurement, but with the increasing amount of data and technical ability it is beginning to overcome this.

The industry is moving towards a place where it can uncover the true impact and exposure of earned media. In this case, earned goes beyond social conversation and attempts to quantify anything such as social, online content, print, non-advertised TV, etc.

However, earned media as a channel has various challenges which are not often present in traditional marketing as highlighted by Kantar's Margo Swadley and Simon Ingram which include:

- **Actual reach** is harder to uncover and often metrics used are potential or estimated reach
- **Sentiment** of content can be both positive and negative making it hard to compare to traditional media
- **Prominence** can vary vastly, and the context of the prominence can have a large impact
- **Planned Vs Unplanned**, often earned media can be a product of virality or public occurrences so not always expected
- **Volume** of content produced and **speed** at which it can spread can be far greater than traditional channels

Historically there has been a confusion between measurement and evaluation whereby simply measuring the estimated exposure of a campaign has classed as measurement, not the impact it has on a business.

By using AI and ML to truly understand reach, sentiment and prominence we are beginning to be able to get a better idea of the earned media picture across the majority of channels. By using these two broad techniques we can collect, analyse and process content pieces far faster than is possible manually. Not only this, but by training the approaches, we can work towards getting increased accuracy around both sentiment and prominence. This can then begin to be analysed more effectively and correlated with harder business metrics such as share price and short-term sales, putting earned media a lot closer to traditional channels when we look at it from a measurement and evaluation lens.

FUSE VIEW

Like earned media, partnerships across both sport and entertainment do not for the most part operate in a traditional media world whereby we buy ads and show the consumer our own creative. In-fact they can operate much more closely to earned media where the majority of exposures are generated through a property such as live TV, coverage across sport and entertainment publications and of course the vast amounts of user generated content across social channels in various mediums (AV, static images, text etc.).

Being able to accurately track the reach of our brand's exposure across these channels alongside a better understanding of the sentiment and prominence will give brands better capability to integrate their partnerships into their measurement and ROI frameworks, and in-turn help them to justify their investment.

GETTING MEDIA RIGHT: THE GOOD, THE BAD & THE UGLY

Despite years of research and analytics, according to Kantar, only 7% of marketing professionals claim to have all the data they need to effectively plan and measure media. Only 50% of brands are confident they know how their customers interact with their brand.

When looking at their brand and performance split only 54% of respondents are somewhat or fully confident that they have the right balance between the two.

Drilling down into specific channels, sponsorship came out as the worst performer, with 44% of respondents having no understanding of sponsorship ROI compared to all other channels which ranged from 18-24%.

In order for the industry to improve on the current status quo, the panellists across eBay, Mindshare, Snap Inc and Kantar identified four key barriers that, if solved, can help to improve the media planning & ROI process:

- Integration - currently the majority of channels and teams live in siloes, which can generate multiple contradictory insights based on only a subset of data. In order to increase confidence in ROI and media allocation, these need to be brought together through the process of team integration and alignment of data sources
- Short Termism - there is often a focus on achieving short-term sales and value targets in order to satisfy shareholders. Those channels which are able to provide short term ROI such as digital therefore tend to be favoured over channels where measurement and evaluation takes longer and is not as attributable.
- Digital Measurement - there are a host of digital techniques such as digital attribution, which only look at the online ecosystem and do not consider any offline or external drivers, this can often inflate measurement across digital
- Data Speed - when trying to measure impact across multiple channels holistically, the time taken to collect data for each channel from various sources can act as a barrier to measurement, sometimes leading to delayed or, even worse, no measurement. By integrating teams and data sources as suggested this will help to improve the efficiency of data supply.

Although these barriers impact both brand and performance marketing channels, brand marketing tends to suffer more. Brand marketing typically uses longer term messaging and is often activated across offline channels which have longer data turn arounds and lack direct sales attribution. In some cases, this makes the justification of cutting spend from brand easier as there may not exist a direct link through to sales.

Despite the problems with brand measurement, some companies such as eBay are investing more heavily in it. Rosie Hanley, Head of Brand Marketing, has been part of a process whereby eBay has has shifted its share of brand from 10% a few years ago to around 35% in 2019, with a significant proportion of this being invested in offline channels. The reason for this shift is that while performance is great for supporting short-term goals, it tends to focus on existing customers rather than reaching new or lost customers. Brand advertising is able to reach new audiences and re-educate lost customers on how a brand may have changed over time.

Following this increase in brand advertising clients are finding that overall consideration metrics are shifting positively and that there is a synergistic benefit on performance channels when running brand activity. Therefore, there is a case for marketing professionals not to treat measurement as a one-size-fits-all approach. Instead we need to look at both the objectives and KPIs of each channel rather than a purely short-term direct sales point of view.

FUSE VIEW

Like brand marketing channels, sponsorship can often suffer from the same barriers when looking at the measurement and evaluation of ROI. This can lead to budgets being put at risk. Despite being the fact only 44% of marketers have any measure on ROI, there may be an opportunity for sponsorship to integrate itself within the other channels as marketers begin to bring their teams and data together. It is therefore essential for sponsorship marketers to ensure they are not acting in silo. They must work together to build a view of the data they have at their disposal and what they need to do to ensure they can measure moving forward.

THE RESPONSIVE BUSINESS: HOW TO ELEVATE THE POWER OF MARKETING AND INSIGHT IN YOUR BUSINESS

The proliferation of data and analytics has rightly created the expectation that every marketing and business decision be based on or informed by insight. So it was apt that, “How do you create and leverage insights to produce business growth?” was the question posed to Boots, Direct Line and Shell.

With disruption and innovation strong conference themes, Direct Line kicked the session off describing the negative impact of comparison websites on both its business, causing a long-term decline in customer quotes (a key barometer of the insurance sector), and its brand, homogenising insurance brands and largely reducing consumer consideration to price.

Steered by a clear need for differentiation, Direct Line transformed its business with insights that shifted its marketing focus on products to understanding consumer attitudes towards risk and their desire for ‘high performance insurance’. These insights led to Direct Line recruiting the ultimate fixer, Pulp Fictions’ Mr Winston Wolf, to front its ATL campaign and to create an internal culture of ‘fixers’.

Boots, rather than presenting a specific business challenge, presented its four-level strategic framework to understand disruptive trends:

1. Structural / Contextual Trends
2. Shaping / Established Trends
3. Inspiring / Emerging Trends
4. Product Fads / Fashion Trends

Combining this framework with its wealth of customer data, Boots strove to improve the adaptability of its stores to the vicissitudes of the weather, the rise and fall of celebrity make-up ranges and to broader cultural trends such as the reduction in single plastic. Results of Boots’ insights included switching to modular store fittings, providing customers with only paper bags and introducing in-store water bottle refill taps.

Shell presented its campaign to increase convenience product sales by identifying poorly served but highly desirable audience segments. Reflecting the often-iterative generation of insights, the convenience product insights project only came about after analysis demonstrated that over 50% of Shell’s customers did not purchase fuel at its stations – a significant challenge to the hyper-fuel sales oriented internal culture.

Discounting those segments already well catered for, Shell’s analysis identified ‘Wholesome Enthusiasts’ (health conscious, fresh food pursuers) as a segment that it could better serve. With this direction, Shell improved the quality and freshness of its deli products, significantly reducing ‘red label’ products, and partnering with Jamie Oliver to bolster the legitimacy of these changes.

FUSE VIEW

This session reinforced some fundamental marketing and insight truisms. First and foremost, insights and analytics, both established (if not structural) sector trends, should be central to every business and brand decision (ignore them at your peril!). Direct Line illustrated the confidence insights can offer when a business is faced with existential disruption, whilst Boots and Shell illustrated the iterative contributions an insights-based culture can make to business growth.

Insights and analytics are central to our strategic and consultancy services. Expanding our data and analytical capabilities, aligning our martech stack with our strategic process and increasingly leveraging first-party client data are only some of our recent highlights.

A second truism is that leveraging insights and analytics doesn’t require rocket science, it can be as simple as identifying under-served audience segmentations. At Fuse, with our advanced audience segmentation models, we pride ourselves in being able to identify brand partnership opportunities with the highest business and brand impact potential.

A third and final point to note from the session is that brands should embrace disruption with a bifocal view of their sector’s trends and fads to identify strategic and tactical growth opportunities (and threats). Combining robust insights and analytics with a strong strategic framework can provide certainty in a business environment, more often than not, defined by the VUCA acronym. To this end, our strategic process, advanced analytics and brand partnerships expertise offer our clients certainty in their partnerships.