

Thoughts On/ Crafting a Brand Identity



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1.0 Changing Perceptions: **Brand Identity**

An original and relatable brand differentiates a leading company from a forgettable one.

Crafting a unique brand identity helps consumers connect with a company on an emotional level, differentiates an organization from competitors, provides a platform for long-term growth and creates loyalty and advocacy.

Of course, an organization's brand is always evolving and must be monitored to ensure a company knows when and how to adapt to changing customer preferences.

Unfortunately, many organizations are unaware that their brand needs an update. Around 76% of companies believe their reputation is better than average, which is statistically unlikely.1

If your brand is in need of a refresh, social media data may hold crucial insights to help identify and adopt a successful brand identity.

Organizations using social media to inform their strategy, like Burberry, Škoda and Publix, embrace the following elements to achieve a one-of-a-kind brand:

- Lead with 'why' the brand exists.
- Address an existing gap in the marketplace.
- Create a worthwhile customer experience that defies expectations.

Learn how to craft a distinct brand identity by applying these elements to your approach.

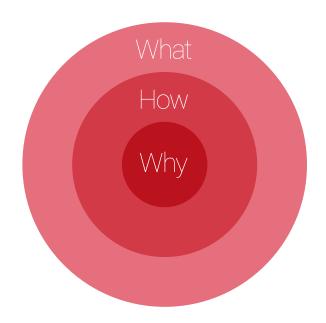
¹ Deloitte. 2014 Global Survey on Reputation Risk. October, 2014

2.0 Lead With The 'Why'

Consumers don't connect with a brand because it sells a microwave or an energy drink, instead they relate to the reason why an organization exists, which extends beyond a company's product or service offerings.

Based on Simon Sinek's 'Golden Circle' framework, the most successful brands communicate, act and think by leading with why they exist, followed by how and by what means.²

THE GOLDEN CIRCLE FRAMEWORK



What

Every organization on the planet knows WHAT they do. These are products they sell or the services they offer.

How

Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

Why

Few organizations know WHY they do what they do. WHY is not about making money. That's a result. It's a purpose, cause or belief. It's the very reason your organization exists.

For example, General Electric's (GE) messaging is focused around the belief that global exchange of knowledge and invention fuels innovation (the why). GE supports the reason why it exists by creating products across various industrial sectors that provide better outcomes for customers (the how) and all its products from refrigerators to aircraft engines (the what) reflect this notion.

No matter what product or service GE offers in the future, customers have certain expectations of the brand and loyalty that has been developed through its consistent focus on why it exists.

Many organizations fail to lead with this approach because they don't understand how consumers operate today.

² TED. Simon Sinek: How Great Leaders Inspire Action. September, 2009.

Customers in the modern marketplace have more product options to choose from and access to more information to inform their decisions, which requires your organization to connect with them more deeply to stand out.

A company leading with 'why' will evoke more emotion, as it's not just the product a consumer is buying into, but also what the company stands for.

This experience is more memorable as compared to competitors that market to customers solely based on what their products are and what they do.

An organization that knows why it exists has a better chance of connecting with a consumer based around their affinities, since a person's preferences and interests lead their daily decision making.

2.1 Identify Brand Associations

When a brand leads with 'why', consumers naturally associate a company with a variety of cultural references to evaluate where and why its products align with their interests and preferences.

For instance, Burt's Bees is a brand known for its natural and earth-friendly approach to a variety of skincare products, whereas Dove's messaging about its skincare offerings are distinctly centered on helping women be more body-positive.

Both brands offer similar products, but they communicate with distinct reasons as to why each exists, which attracts different segments of the market and differentiates each brand.

This Brandwatch analysis highlights frequently used keywords paired with tweets about Dove. It provides a summary of some of the brand associations consumers are making about the company and its connection to promoting a positive body image among women.

DOVE BRAND TOPICS



Figure 1: Analyzed 212 tweets taken from April 12th 2016 - May 31st 2016.

2.2 Burberry: Revisiting Its 'Why'

An example of an organization that updated its identity by understanding its leading brand associations and the value of reconnecting with its 'why' is Burberry.

In the early 2000's, Burberry was losing credibility as a luxury brand as it began to drift into too many product categories, spreading its production thin and confusing consumers with mixed messaging.³

The brand was a short-term success financially, but each of its 23 licensees was doing something different and its products were being sold at the low end of the market.

Confusion amongst licensees led to Burberry's products being too readily available and far from premium. The state of the company led to diminishing quality and a loss in brand trust.

To fix these issues, Burberry fostered new associations with the brand that relate back to its humble beginnings and focused its product offerings.

Beyond traditional research, Burberry could now use social media to identify how customers viewed its brand and what interests they had, informing its messaging and the focus of its product offerings.

³ Harvard Business Review. Burberry's CEO on Turning an Aging British Icon Into a Global Luxury Brand. January, 2013.

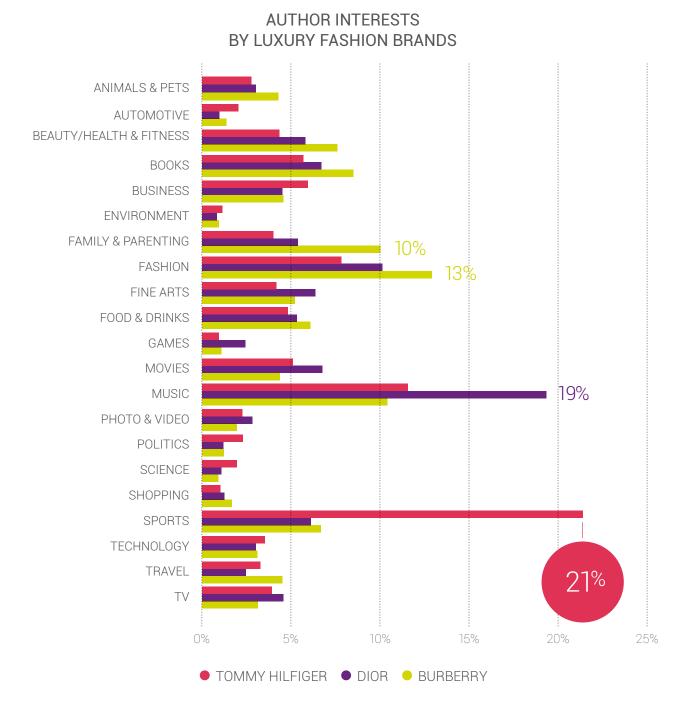


Figure 2: Analyzes 242,449 Twitter conversations from August 12th - September 12th, 2015.

This Brandwatch report shows Burberry's audience is most interested in fashion, music and family based on their Twitter conversations, which are three of the many areas the brand invested in as it reframed its approach.

Understanding the interests of consumers provides a framework for what topics brands can align with to better engage with the changing priorities of its customers.

Combining the insights from the interests of its audience, as well as common associations about the brand at the time, Burberry set out to strengthen its connection with customers around why it exists: to provide exclusive and enduring British style.

By reestablishing the trench coat as a fashion staple for the brand (the what) and developing a strong narrative around the quality and British history of the leading product (the how), the brand was able to connect with millennials interested in authentic brands with well-crafted products.

An analysis of the discussions about Burberry on social media today illustrates that 'London', 'UK', 'British', 'Trench', 'Trench Coat' and 'Burberry Trench' are among the most commonly used words and brand associations made about the fashion company.

BURBERRY BRAND TOPICS



Figure 3: Analyzed 382 tweets taken from April 12th 2016 - May 31st 2016.

Fueled by the interests of its audience in music and to stress exclusivity, Burberry also deeply integrated music partnerships with independent artists.

The Burberry Acoustic series tied back to the brand's humble beginnings and offered exclusive access to these musicians through online and offline performances.4

As a result of analyzing its industry and taking action from the brand associations made about the company, Burberry was able to rearticulate why the brand exists in the first place.

Burberry's renewed approach led to the company's value rising from \$2.9 billion to \$10 billion in ten years⁵, not to mention Burberry ranking as one of the best global brands in the Interbrand index for six consecutive years.6

⁴ Burberry. Burberry Acoustic. April, 2016.

⁵ Burberry. Annual Report 2014/15. 2015.

⁶ Guardian. Back from the Brink: Five Successful Rebrands and Why They Worked. July, 2015.

3.0 Fill A Gap In The Market

The second way to reposition a brand's identity to make the brand more appealing is to identify relevant customer pain points and readjust products or offerings to address customer concerns that have been voiced or made public on social.

As a company analyzes the associations made about its brand and leading competitors, you'll notice gaps that aren't being addressed within certain demographics.

For example, a cosmetics brand could review the following analysis to detect the common concerns and issues discussed on Twitter about makeup offerings for African American customers.

COMMON ISSUES WITH AFRICAN AMERICAN MAKEUP

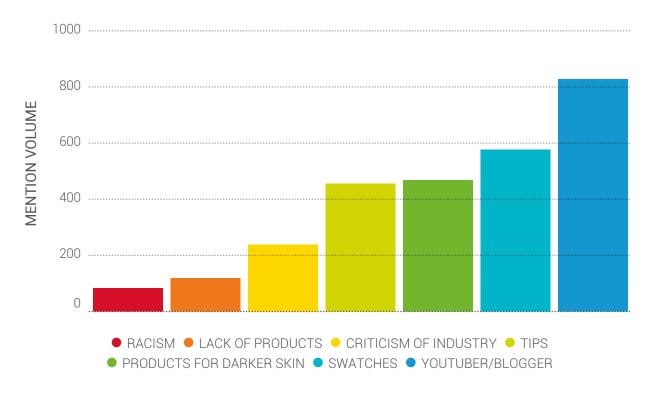


Figure 4: Analyzed 2,763 tweets taken from January 1st 2016 – March 31st 2016.

In this figure, it's evident that not having enough product choices and "products for darker skin" are a few of the major topics in the online discussion about makeup choices for African American consumers specifically.

With this information, a brand could build out a robust array of makeup products to fix the issue and as a result, build a stronger reputation since it took action to solve an unaddressed problem.

There are immeasurable challenges consumers face that have yet to be addressed. Finding and solving these issues can help set a company apart from its competition and organically elevate a brand's reputation as being astute, methodical and helpful.

Focus is key to success. Begin by focusing on solving one problem, specifically related to one demographic. It is much more attainable for most brands to allocate resources to defeat one problem rather than tackling numerous issues voiced by every audience demographic.

Discovering what problems customers care about the most is a challenging part of the brand realignment process, and one that social media intelligence can help simplify greatly.

3.1 Narrow The Focus: Measure Demographics

To find a gap worth addressing, use social listening to sift through the conversations happening across industries.

With many potential problems to target, social listening helps provide insight into what types of issues consumers are talking about and where an organization should potentially focus.

You'll be able to understand what types of consumers are discussing a company, as well as which demographics aren't being catered to.

McKinsey suggests focusing on customer-satisfaction issues with the highest payouts to help a brand build out a list of customer pain points and opportunities to address first.⁷

As a starting point, use a social listening tool like Brandwatch to identify the gender, profession and interests of each group your company is reaching.

Next, do the same to determine who's discussing your competitors and compare their demographics to your own to determine where the best opportunities are across the sector.

Target the most relevant demographics to the brand and analyze the conversations they have to find issues worth solving and opportunities to address.

As an example, the following figure highlights the professions of people most often discussing pizza as a take-out option.

⁷ McKinsey & Company. Linking the customer experience to value. March, 2016.

PROFESSIONS DISCUSSING TAKEAWAY PIZZA

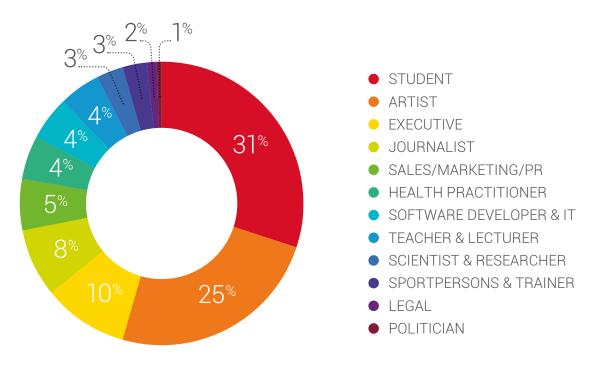


Figure 5: Analyzed 25,140 tweets taken from April 1st 2015 – March 31st 2016.

A fast food restaurant group could use this data to inform a strategy targeting students and artists as they dominate a majority of the conversations on the topic of pizza.

The fast food brand might also consider investing in a demographic like executives or journalists who aren't as vocal online about pizza but could represent an untapped customer base.

A comprehensive demographic analysis will examine multiple factors. The figure below reveals that women outweigh men in the discussion of pizza online.

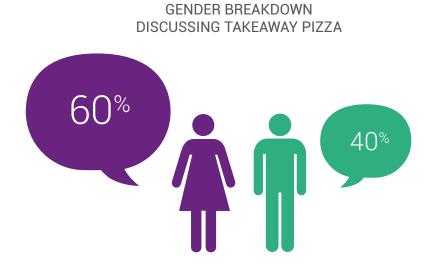


Figure 6: Analyzed 71,049 tweets taken from April 1st 2015 – March 31st 2016.

If a pizza company wasn't previously targeting women in their advertising, this data could help convince them to consider adding messaging that aligns with women's interests.

Potentially, other competitors in the industry are neglecting to market to women as well, which is an opportunity to address a gap and stand out amongst other pizza companies.

By analyzing conversations across demographic and interest groups, businesses can better understand how to communicate about a topic to specific audiences.

Brands that actively listen and adapt their offerings to their target audience are more likely to remain relevant for the long-term, as well as attract the interest of new demographics as they readjust their identity.

3.2 Škoda: Minding The Gap

Škoda, the automobile manufacturer, is a prime example of a brand that completely changed its reputation by addressing a gap in the industry, amongst other strategies.

From the 80's and 90's, Škoda was a failing brand. Restrictions by the Czechoslovakian government prevented Škoda from investing in new technology, which guickly lead to the diminishing guality of its vehicles as compared to Western car manufacturers.8

Often referred to as low status symbol, due to its low cost and poor speed, the brand was in dire need of a repositioning.9

In 1991, the Volkswagen Group bought the Škoda brand and revamped the model and improved the quality of the car significantly, but the reputation was still in need of a facelift.¹⁰

Škoda in the U.K. was still common fodder for stand-up comedians and was widely known as an embarrassing car to own, as 60% of people would not even consider buying one.11

To remedy this, the company hired a market research firm to listen to what was said about the brand and create a strategy to close the gap between the newly updated vehicle and it's reputation.

By both understanding the brand associations made and the demographics of those having these discussions, Škoda was able to outline a plan of action.

Škoda targeted British consumers with advertising featuring a self-deprecating tone about their former car models to show people being surprised about the update to the once defunct vehicle.

The advertisement was honest, and it reflected how British consumers viewed the brand at the time. making it more approachable while simultaneously alerting audiences of their updates.

The brand targeted drivers who weren't overly brand conscious, who looked for value for their money and a reliable car.

⁸ AdAsia. Skoda UK: The death of a joke, and rebirth of a brand. September 1st, 2002

⁹ PRWeek. News Analysis: Ridicule to cool: the Skoda story. April 15th, 2005.

 $^{^{10}}$ ING. VW and Skoda, the story of a successful alliance. 2015.

¹¹ PRWeek. News Analysis: Ridicule to cool: the Skoda story. April 15th, 2005.

The new strategy worked. According to a Driver Power poll of 46,000 car owners, Škoda was voted the best car to own in the UK in 2013.12

Social listening could streamline the process of identifying the existing perceptions of the brand and what gaps existed in the market with certain consumer groups.

Reviewing what demographics other automakers were reaching online through social listening could have also informed who to consider targeting.

To maintain a competitive advantage and an updated brand identity, Škoda should continue to compare the demographics of its audience against leading competitors.

This figure shows the leading interests of Škoda's audience as compared to the demographics of Fiat, Opel and Peugeot.

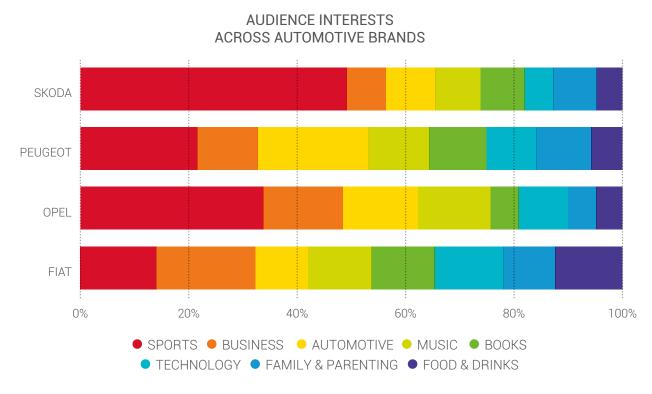


Figure 7: Analyzed 13,778 tweets taken from June 16th 2016 – June 23rd 2016. Interests limited to the top eight most prevalent interests.

It is clear from reviewing the figure that Škoda's audience discusses sports far more often than those following the other three brands.

This could indicate that it may be in Škoda's best interest to focus future marketing and public relations activities around the subject of sports to connect with their audiences.

Social intelligence data like this can help a brand prioritize where to allocate its budget and resources in a more purposeful way by aligning with their audience more deeply and addressing an unexplored gap.

¹² The Telegraph. Skoda: from laughing stock to top dog. April 26th, 2013.

4.0 Foster Delightful Customer Experiences

The final cornerstone for changing the perception of a brand is creating an exceptional end-to-end customer experience.

A majority of brands neglect to pay attention to the details around the experience a customer has with the business, from how they deliver customer service to what happens at retail.

Ignoring pain points during interactions with consumers will make it extremely difficult for a brand to retain its customers and preserve its existing reputation.

According to eMarketer, 87% of survey respondents were unlikely to buy from a brand again after experiencing inaccurate product info on an item they purchased. 13

Organizations that account for the specific details like having accurate product info and going beyond expectations are more memorable and more successful at retaining customers.

For instance, although airlines are notorious for having awful customer service experiences, KLM, the Royal Dutch Airlines, directly refutes this notion on a daily basis.



The airline sends about 60,000 tweets a week, 24 hours a day, in 13 different languages to address customer service issues that may arise around the world as they happen.¹⁴

The brand has become known by customers, among many reasons, for its unprecedented use of social media for customer service and as a result it generates an additional \$25 million in annual revenue for the organization.¹⁵

To see growth like KLM, revamp your brand identity with a renewed interest in delivering worthwhile customer experiences.

¹³ eMarketer. Accurate Product Info Is a Pain Point for Digital Shoppers. December 8th, 2015.

¹⁴ Social Media Examiner. Dealing With Unhappy Customers: What Social Marketers Need to Know. January 15th, 2016.

¹⁵ VentureBeat. KLM's 150 social media customer service agents generate \$25M in annual revenue. May 21st, 2015.

4.1 Measure Regional Share Of Voice

One way of determining the types of exceptional experiences to offer customers is by understanding the share of voice of competitors locally.

Measuring regional share of voice is the first step in helping an organization identify which companies are driving the positive and negative conversations in certain locations and why.

US MENTIONS OF LEADING ONLINE GROCERS

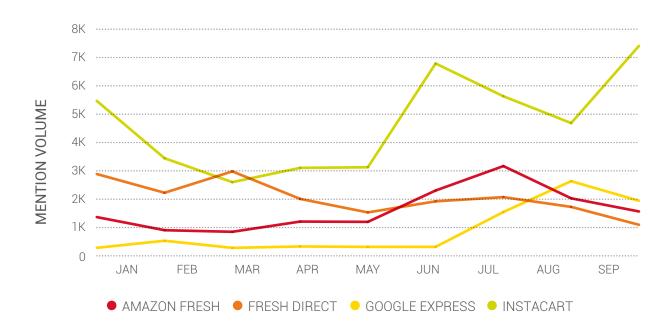


Figure 8: Analyzed 83,519 tweets taken from January 1st 2015 – September 25th 2015.

If you were going to compete in the online grocery market for instance, this chart shows that Instacart has the highest share of voice in the U.S. and is the brand to pay attention to.

Analysis using social listening shouldn't stop there, but instead continue to uncover what consumers were specifically discussing about Instacart to help identify what made it a success.

Instacart's domination of the marketplace could be an indication that it is providing a unique experience that no other organization in the sector is.

Insight into the brand's success can provide direction on how to delight your own customers if you were a competitor.

The adjectives, products, interests and demographics most associated with Instacart will provide a wide variety of data points to work from and a stronger sense of how you might compete.

You're not only competing with competitors, but all the experiences a customer is having throughout their day. Big or small, think about every touchpoint a brand has with consumers to develop an enduring impression that lasts.

4.2 Publix: Exceeding Expectations

As a company already uniquely positioned in the marketplace, Publix monitors what major competitors are doing regionally to continue to maintain a differentiated brand identity.

The grocery store chain has established itself as one of the most profitable grocers in America for many reasons, one being that many of its employees are shareholders in the company.¹⁶

As a result, Publix is known for its exemplary customer service since its employees are far more engaged in their work. This leads to an enjoyable experience for customers in its stores, helping to retain them for the long-term.

By monitoring the growth of competitors in the six southern states the brand operates in, Publix continues to improve its in-store offerings to impress customers and outshine other grocers.

To compete with the expansion of Whole Foods and Walmart in the south, Publix invested in more organic food offerings to offer a wider, upscale product assortment, as well as cooking classes to draw shoppers to its stores. 17

Both additions to Publix's existing offerings are aimed at further elevating the in-store experience to keep its brand top of mind.

The figure below illustrates Publix's share of voice compared to competitors in states where the brand operates retail stores.

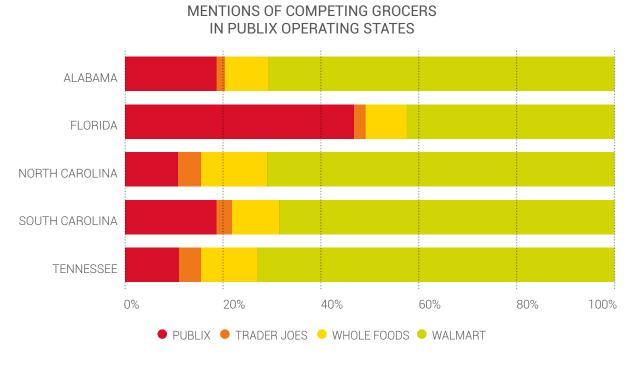


Figure 9: Analyzed 17,719 tweets taken from July 7th 2016 – July 20th 2016.

¹⁶ Forbes. The Wal-Mart Slayer: How Publix's People-First Culture Is Winning The Grocer War. July 24th, 2013.

¹⁷ Tampa Bay Business Journal. Whole Foods suffers as mainstream grocers like Publix go upscale. May 14th, 2015.

This figure shows that Publix currently leads the conversation in Florida as compared to competitors, but comes in second place in Alabama and South Carolina to Walmart, which is the most discussed brand in every other state.

The only constant on a regional share of voice analysis is that it will always fluctuate to reflect a new crisis, changing consumer opinion, news mentions and other factors.

Understanding whether Trader Joe's, Walmart or Whole Foods is generating more conversations on social media in a certain state can help Publix react guickly and analyze why a spike in activity is occurring.

After identifying a peak in activity, Publix should analyze the specific conversations about the other brand from individual discussions to determine the cause and see if reacting on a local level is appropriate.

As a result the brand might send employees to a competitor's store to monitor what's happening, which could potentially inform a change to Publix's own in-store experience locally.

On the other hand, a spike in activity could be something as simple as excitement over a sale.

Either way, Publix won't command conversations in all areas all the time, but access to this data can help the brand react faster and adapt its in-store experiences to stay one step ahead of competitors.

The brand's efforts continue to pay-off as the business has remained profitable, consistently ranks as an enjoyable work environment for employees and generates recognition from customers on overall brand experience, according to the 2016 Temkin Experience Ratings.¹⁸

¹⁸ TheStreet. Publix And H-E-B Earn Top Annual Customer Experience Rankings, Published By Temkin Group. March 8th, 2016.

5.0 Conclusion: Getting Started

Crafting an unforgettable brand can take years, but damaging a reputation can happen overnight.

Monitoring and updating a relevant brand identity is an ongoing process and should always be a top priority for modern brands.

Change the perception of your brand by leading with 'why' your brand exists, addressing an untapped opportunity in your industry and creating one-of-a-kind customer experiences.

To kick start this process, start implementing these brand cornerstones by first collecting data from competitive benchmarking to direct what investments will have the greatest return.

Prioritizing where to begin will help your organization put theory into action by making smarter, more focused investments of time and resources into an updated brand identity.

6.0 About Brandwatch

Brandwatch is the world's leading social intelligence company. Brandwatch Analytics and Vizia products fuel smarter decision-making around the world.

The Brandwatch Analytics platform gathers millions of online conversations every day and provides users with the tools to analyze them, empowering the world's most admired brands and agencies to make insightful, data-driven business decisions. Vizia distributes visually-engaging insights to the physical places where the action happens.

The Brandwatch platform, ranked highest in customer satisfaction by G2 Crowd in the Winter 2016 social media monitoring report, is used by over 1,200 brands and agencies, including Cisco, Whirlpool, British Airways, Sony Music, and Dell.

Brandwatch continues on its impressive business trajectory, with more than 50% of revenues now from North America and strong tech industry backing from venture capitalists including Partech Ventures, Highland Europe, Nauta Capital, Gorkana and independent investors.

Brandwatch. Now You Know.

www.brandwatch.com | @Brandwatch | press office | contact

Contact/

Email contact@brandwatch.comWeb brandwatch.comTwitter @brandwatch

Telephone

US +1 212 229 2240

UK +44 (0)1273 234290

DE +49 (0)30 5683 7004-0

