



the whitepaper series

#3

the power of emotion

BRANDHOUSE
STRATEGY + CREATIVITY

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High growth is a common ambition for most FMCG brands. Changing shopper habits, combined with retailer own label quality, challenge the concept of brand loyalty. We see new shopper habits driving many categories. People are cutting back on grocery shopping to save money to buy technology. And they're saving on fuel costs by walking to convenience stores more often. Top-up shopping is growing at the expense of stock-up shopping.

In our experience, brands that achieve high growth in the face of these, and other new habits share three characteristics. To explore these, let's start with two hard facts about consumer behaviour, and a brief background into the role emotion plays in decision-making.

Hard Fact 1: Most brands are purchased infrequently.

TNS Impulse Panel data shows that in most categories, the majority of any given brand's buyers only buy it occasionally. For example, the typical Coke buyer (as opposed to the average Coke buyer) actually only buys it once or twice a year, a pattern that's true of many brands and categories. Some brands are purchased regularly, but most brands are only purchased intermittently.

Hard Fact 2: Brand loyalty is fragile.

The data also shows that most people have a few categories where they buy the same brand every time, but in most categories they switch if their regular brand isn't easily available or a competitor offers a better deal. In the UK 72% of Coke drinkers also buy Pepsi. People are fickle shoppers. They are mostly shopping the category rather than the brand, except in a few cases - "Must get some butter" is a common need, whereas "Must get some Marmite" is a rarity.



Fig. 1:
No.3 London Dry Gin
Breaking category norms

“ BEHIND EVERY ‘RATIONAL’ PURCHASE DECISION IS AN EMOTIONAL GOAL THAT ACTUALLY DRIVES THE RATIONAL BEHAVIOUR. ”

So, how should you deal with this unpredictability and ensure your brands get chosen more often?

The answers lie in the power of emotion at the all important point of decision.

It's worth understanding a little about the fundamental role emotion plays in driving human behaviour. Advances in science have shown that much of what we do, including shopping, is automatic and mostly driven by subconscious motivators. These subconscious motivators are the reward mechanisms in the brain – the emotions.

Psychologists categorise all human behaviour in two ways: the pursuit of pleasure, and the avoidance of pain. Essentially, everything we do in our lives has one of these outcomes as a goal. We pursue joy, status, prestige, security, happiness, excitement, comfort and so on; and we also seek to avoid pain, hunger, social embarrassment and making decisions that we will later regret.

We feel positive emotions in response to anything that brings us closer to realising our goals, and conversely we feel negative emotions when anything takes us further from these goals. The best brands help us achieve either of these goals – the desire for positive emotional outcomes or the desire to avoid negative ones.

We buy brands because we perceive (non-consciously) that we will feel a certain way by buying a certain brand. Whilst we like to think we buy brands only for sound, rational reasons, we actually buy a feeling we anticipate that we'll have when we own the brand. The point is that behind every 'rational' purchase decision is an emotional goal that actually drives the perceived rational behaviour.

We like to think that buying Persil is only about wanting clean clothes, but choosing it in preference to Ariel is motivated by a deeper desire to be 'a better mum'. Choosing Robinsons Squash in preference to own brand, even though it costs more, is driven by a belief that buying Robinsons signals what a loving parent we are. And whilst pretty much any car will get us from A to B successfully, if it's a Mercedes it also makes us feel that people will recognise that we are successful.

There are even emotional benefits that attach to price-consciousness. Shoppers who seek out cheap deals across the supermarket are largely driven either by a non-conscious emotional need for the 'security' that being within budget gives, or by the 'freedom' that saving money creates in being able to spend in other areas of life.

When we choose one brand over another we're not just buying a product we're also buying a feeling. A feeling that comes from the emotional benefit the brand promises to deliver. Brands are ultimately about the anticipation of emotional benefits. The stronger this is, the stronger the competitive advantage. Far from being a soft and woolly concept, emotion is a hard commercial reality that businesses must embrace in order to deliver financial returns.

So how do high growth brands harness this for commercial benefit? We have identified three characteristics that are shared by brands that regularly achieve high growth.

The first characteristic of high growth brands is their focus on being top of mind in the purchase situation. This isn't just about standing out – any brand with a decent design can stand out – it's about having enough strong associations and memory structures to be top of mind. Being top of mind comes from speaking to people's emotional needs and being meaningful and distinctive from the category. If you meet the same emotional needs in the same way as the rest of the category, you won't be top of mind.

Beer is a category where there's very little to distinguish between brands – all lagers are sociable, and all ales are reassuring. Consequently there is very little to choose between most brands. Brew Dog however, owns an emotive 'punk' attitude that stands out and means something distinctive. It is, unsurprisingly, the UK's fastest growing alternative beer brand.

The second characteristic is that they own a whole range of distinctive visual equities.

Their brand identity is much more than just a logo and product depiction. They own a suite of equities that create mental associations. Johnnie Walker is easy to imagine due to its distinctive square bottle, slanted label that breaks the sightline, and walking man



Fig. 2:
McDonald's A whole range of distinctive equities

symbol representing personal progress that is central to all communications.

Likewise, Berry Bros' No.3 London Dry Gin is distinctive because it has a real key set into the bottle's front face that is outside the category's visual norms, and speaks to the need for authenticity. This distinctiveness has driven strong international growth since its 2011 launch.

The more distinctive visual equities a brand has, the more chance it has of being called to mind. Getting into consumers' consideration sets comes down to the number of mental associations and memories they have about the brand.

In this area FMCG brands can learn from McDonald's, which has a range of distinctive equities beyond its golden arch logo. As its products are so distinctive it is able to run unbranded ads that are just close-up food images.

The third characteristic of high growth brands is that they build emotional meaning into these distinctive equities. We know that people buy brands because they want the brand to give them pleasure (or avoid pain) at some point in the future. Promising to make people feel good builds emotional equity. The best brands have distinctive visual equities that not only ensure the brand is recognised, but these equities also communicate the emotional benefit the brand delivers.

By way of example, we worked with Kellogg's to better understand how women feel about weight management issues, in order to identify a more relevant emotional benefit for the Special K brand. We shifted the emotional perspective from being about 'losing' weight to 'gaining' confidence, and evolved the core visual equity to convey this. The subtle addition of a small shadow makes the K stand up and lean forward, cueing confidence – a key emotional benefit in weight management.



Fig. 3:
Kellogg's Special K
Cueing confidence

Next time you're shopping think about how the brands you choose come to mind – do you look for a logo? Or is it a combination of equities in your mind's eye – the jar shape, a colour combination or an image? A global shopper study by TNS involving 500,000 shoppers across 75 categories, found that logos are of only minor importance in creating standout and salience – people use many codes to find and choose brands.

Putting these codes together to create the emotional meaning that puts a brand top of mind and gets it chosen is the true skill of the brand designer. And doing this successfully is the reason why not all brand agencies are the same.

For over twenty years Brandhouse has been working with ambitious clients who want to harness the power of emotion to grow their brands. Our approach makes brands emotionally distinctive, sets them apart from their competitors and drives sustainable growth. In short, we create commercial success by giving brands an emotional competitive advantage.

For more information on how to gain emotional competitive advantage for your brand call Mark Rae on 07808 474478 or Simon Peers on 07775 432450

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