

BY OWEN JENKINS

# GIMME SOME LOVIN'

WHAT BRAND AFFECTION MEANS TO THE BOTTOM LINE

**WE ALL HAVE** our own favorite brands—the products we reach for in the supermarket, the Web sites we visit first for information—but how many brands do we actually love?

Turning brand loyalty into genuine affection is a goal of all marketers. Some may like to stir up strong passions through overtly provocative positioning, but few corporations wouldn't want their brands to be truly loved by a good portion of their target markets.

Yet, even with the best intentions and the most elaborate strategies, consumers don't easily fall under our spells. They are not free and easy with their affection, and brands that they loved in the boom years are losing their popularity during these more difficult times. The consequences of alienating consumers in today's turbulent economy may have serious long-term impact, to the point where some brands may never recover.

So how has the credit crunch influenced consumers' perceptions of brands they see as they walk the malls and browse online? We have at least a partial answer.

In December, Kadence Business Research was involved in a major new study that sought to answer these questions and more. The Milestones Study was timed to coincide with the pre-holiday shopping rush, but blanket media coverage of corporate bailouts and tumbling confidence occurring at the same time were also clearly playing heavily on consumers' minds.

We asked 5,500 educated, relatively affluent consumers aged 18 to 54 to rate

650 U.S. brands ranging from food and household essentials to automobiles, banks, Web sites, retailers, sports teams and even celebrities.

A key measure was "wonderfulness"—how much consumers love a brand. This was recorded along with their perceptions of value, familiarity and usage, plus a series of personality traits associated with each brand. Finally, respondents' social, economic and environmental concerns were noted to provide a broad context for their preferences.

Not surprisingly, the survey showed a move away from brands that display confident expressions of wealth and success to those with more homely, reassuring personalities.

The top-line findings show the brands we love, and the brands we love to hate. According to the study, Hershey's is the most wonderful brand in the eyes of U.S. consumers, followed by Google, Sony, Kraft, Crayola, Kellogg's, Scotch Tape, Wii, Rolls Royce and Johnson & Johnson.

Excluding celebrities and sports teams (which would otherwise have dominated due to the passions they arouse), as well as very low awareness brands, the 10 least wonderful brands are, from bottom up, National Enquirer, AIG (tell me that the current environment hasn't affected brands!), Botox, Kia, Alli, Hummer, Dress Barn, ChemLawn, Direct Buy and Jenny Craig.

Digging deeper, the findings also demonstrate a strong link between the affection that consumers hold for a brand and the stock performance of its parent

company. For example, corporations owning brands with a mediocre affection score of 4.5 out of 7 lost nearly 50% more stock equity last year than corporations owning brands with an affection score of 5.5. In other words, our study shows that a small difference in how much a brand is loved makes a big difference in how it performs on the stock market.

Corporations with brands described as caring, unique, fun to be with, resourceful and intelligent performed far better in the financial markets than brands associated with sophistication, carefree attitude, innovation, fashionability and environmental concerns. Association with higher-income consumers was the single strongest predictor of poor corporate stock performance in 2008.

The study suggests that brands especially liked by less affluent consumers and those most likely with the biggest financial concerns—such as Prilosec, Sunkist, Orville Redenbacher, Maybelline, Johnson & Johnson and Kool Aid—may be the ones that profit most from a prolonged or worsening crisis.

The lesson here for marketers is clear. The credit crunch has now become a far more persuasive factor in consumer attitudes—and, by implication, their purchasing decisions—than other issues like environmental and global poverty concerns that were big only a short time ago (Remember the Live 8 concerts?).

The strategic learning point from Milestones is that the safest positioning for brands today—and the way to ensure a brand is loved—is to focus on images that are not reflective of external influences. "Genuine" and "practical" are valued more than "here today, gone tomorrow."

Be careful when you start writing copy that starts, "In today's troubled times." If you change your brand promise to react to today's economy, it may be difficult to change it back. Avoid the promotion of personality traits that are too sensitive to external, negative and global factors such as economic anxiety, global warming and terrorism.

While some brands have a natural advantage in a tough economy, be aware of the limits of your brand message. Staying true and consistent has always been a solid strategy for brands to ride the economic roller coaster, without coming off the tracks. **m**



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**LOVE YOU**

1. **HERSHEY'S**
2. **GOOGLE**
3. **SONY**
4. **KRAFT**
5. **CRAYOLA**
6. **KELLOGG'S**
7. **SCOTCH TAPE**
8. **WII**
9. **ROLLS ROYCE**
10. **JOHNSON & JOHNSON**



**HATE YOU**

1. **NATIONAL ENQUIRER**
2. **AIG**
3. **BOTOX**
4. **KIA**
5. **ALLI**
6. **HUMMER**
7. **DRESS BARN**
8. **CHEMLAWN**
9. **DIRECT BUY**
10. **JENNY CRAIG**

Source: The Milestones Study; Kadence Business Research, Brand Care and So What? Research