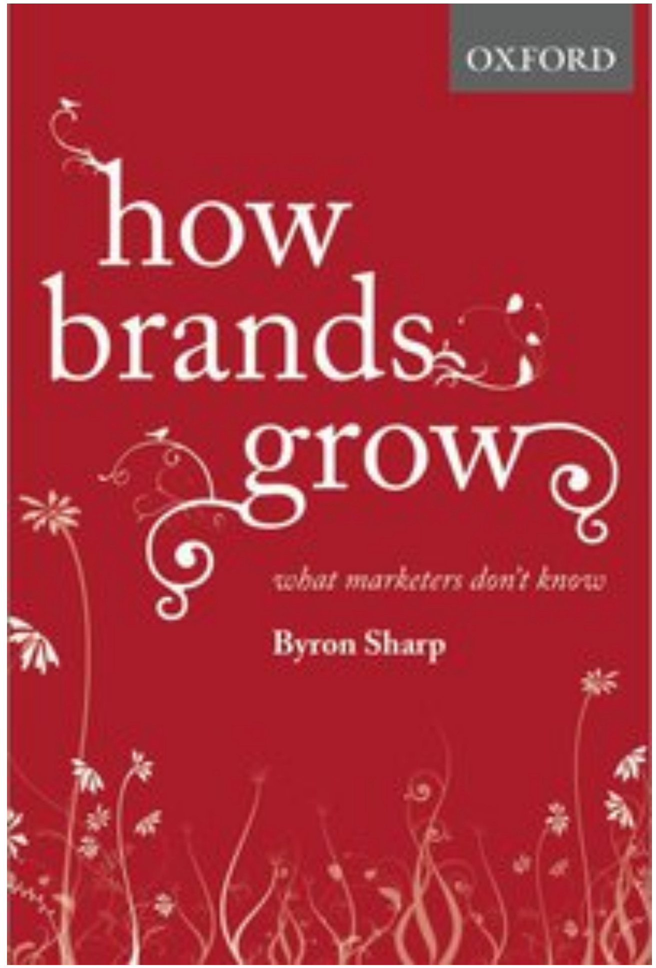

OXFORD
how brands grow
what marketers don't know
Byron Sharp

The big idea in a line

Successful brands tend to increase their mental and physical availability to all customers

Why we need to know

“The efficacy of segmentation, loyalty programmes, niche targetting and price promotion are all called into question.”

“Advertising works not by communicating differentiating propositions, but by creating salience through ‘meaningless distinctiveness’, talk that will shock many creatives almost as much as planners and clients”

“this book remains essential reading “

Paul Feldwick in Admap

The 7 guidelines

1. Continuously reach all buyers- with both physical distribution and marcoms
2. Ensure the brand is easy to buy
3. Get noticed
4. Refresh and build brand linked memory structures
5. Create distinctive communications assets
6. Be consistent yet fresh and interesting
7. Stay competitive- don’t give customers reasons not to buy the brand

1) Reach new buyers,

(not existing buyers buying more)

- A brand’s share is determined by the number of users it has. To grow it must get more users.
- Avoid strategies that fail to reach non-buyers or light buyers of the brand
- Most sales potential lies with these customers
- Avoid going “off-air”
- Avoid narrow descriptions of audience – which are not who really buys the brand

Source: How brands grow

New penetration – not loyalty

Table 2.5: Analysis of the IPA's Effectiveness Awards

	Target to increase	
	Penetration (%)	**Loyalty (%)**
Gold winners	21	2
Silver winners	20	6
Bronze winners	18	3
No medal	41	89

Source: Binet & Field, 2007.

People won't buy more often

(check out the purchase frequency)

Table 2.2: Double jeopardy law—washing powder, UK 2005

Washing powder brands	Market share (%)	Annual market penetration (%)	Purchase frequency (average)
Persil	22	41	3.9
Ariel	14	26	3.9
Bold	10	19	3.8
Daz	9	17	3.7
Surf	8	17	3.4
Average			**3.7**

Note: Each brand's customers buy the brand at similar purchase rates.

Source: TNS.

Coca Cola- always penetration

"Within an arms reach of desire"

2) Be easy to buy

Think how many purchases start with a need, not a brand

" I need some milk"
" I need some replacement batteries"
" I am in the mood for Ice Cream"
" My dishwasher is kaput"
" I want to get to Edinburgh by 7 pm tomorrow"

Your brand is more likely to win if it is readily available

Avoid creating barriers to buy – such as not having all the formats or being overpriced

Don't delude yourself that people are holding "a brand beauty parade" when they make a purchase decision- they are not initially thinking about brands at all

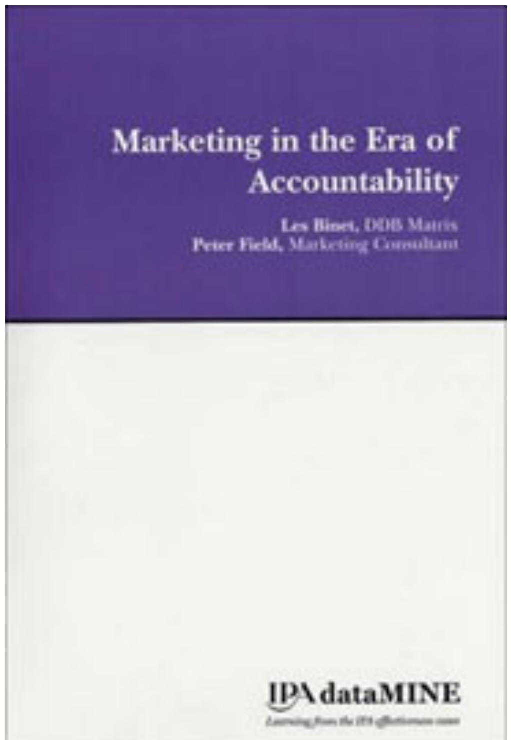
3) Get noticed

(emotion is often most effective)

- Advertisements that are not noticed cannot affect memory structures
- The primary aim of emotional content in advertising is to get noticed
- Emotional reaction of liking increased the sales effectiveness of advertising

Source: How brands grow

IPA cases support the power of emotion



Over 880 effectiveness cases reviewed

Emotion, fame and ROI

- Emotional campaigns outperform rational campaigns on almost every single attitudinal dimension”
- They are better at generating awareness and commitment
- More importantly they are better at creating fame and differentiating them

Source: Marketing in the Era of accountability

John Lewis ads are much shared (why is that?)

http://www.youtube.com/watch?v=8jiJShJfqmY

http://www.youtube.com/watch?v=Pf17BgtfWSw

Clue:

The value of promotions can be salience, not increased loyalty

Promoted brands are often more visible brands

4) Refresh and build memory structures

- Understand what consumers already have in their minds – and work with this, not against it
- Simplicity is a virtue
- Advertising should be consistent over time and over media

Understanding memory

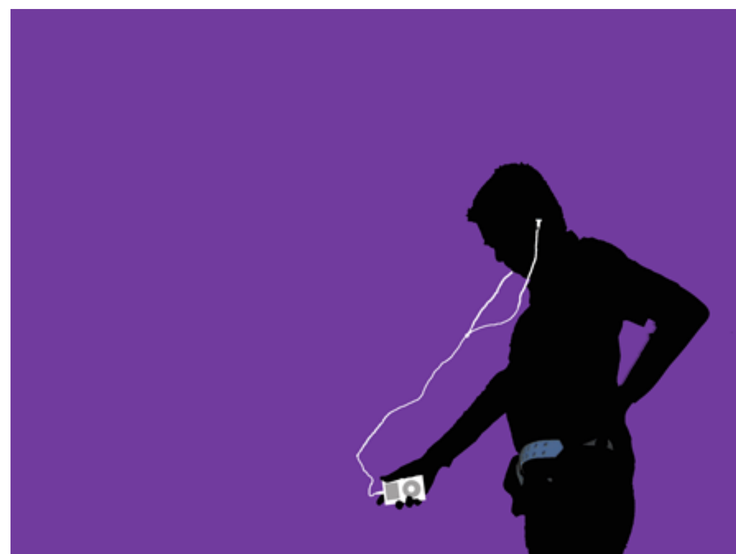
Memory consists of nodes that hold pieces of information. If two pieces are associated then links exist between these nodes.

Such as:-

Coca Cola and red

MacDonalds , yellow arches and burgers

“ a thousand songs in your pocket”



5. Create and use distinctive brand assets

Branding allows consumers to be use heuristics like “I’m buying my brand”

Branding ensures that their memory structures are refreshed to the right brand

Branding facilitates stand out in crowded environments

Branding assets in an unbranded category

SUBWAY

eat fresh.™

6. Be consistent , yet fresh

- Consumers are resistant to new ideas, yet they are happy to be reminded of things they already believe
- A large part of the art of advertising is telling the same story over and over but in new and entertaining ways
- The vast bulk of a brands consumers hardly ever see any advertising and when they do it is a long time between exposures

Source: How brands grow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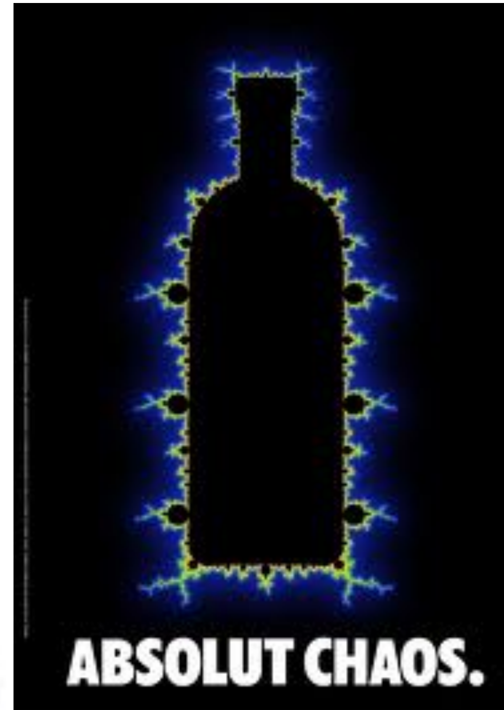
IMPORTED
ABSOLUT BRAZIL


ABSOLUT
INSANITY


ABSOLUT CHAOS.


ABSOLUT
VODKA
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ABSOLUT SECURITY.

7. Stay competitive

Over time feature advantages can build salience- and therefore mental availability.

It is very difficult to get consumers to notice a brand. However, this can be ruined if they suddenly notice a reason not to buy

(Note that the author does not see features as being persuasive)

Final thoughts

Byron Sharp’s principles rest on ideas about how the human brains works-

Supported by Behavioral psychology

Daniel Kahnemann’s two system brain:-

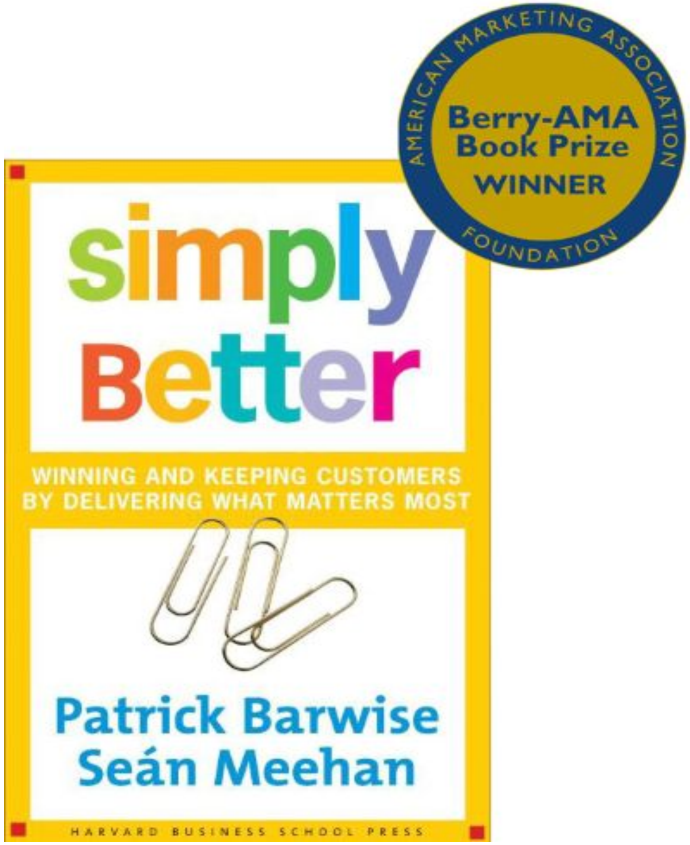
Consumers are mostly in Automatic mode

System	**Reflective**	**Automatic**
Characteristics	Controlled	Uncontrolled
	Effortful	Effortless
	Deductive	Emotional
	Slow	Fast
	Self-aware	Unconscious
Examples of use	*Learning a foreign language* *Planning an unfamiliar journey* *Counting calories*	*Speaking in your mother tongue* *Taking the daily commute* *Desiring cake*

Reflective mode stops you making mistakes

"Customers rarely buy a brand
because it offers a unique feature
or benefit.
Rather they usually buy a brand
they perceive as offering
"the best overall combination of category benefits"
Source: Simply Better

In system 2 brain terms – you wont make a mistake buying the brand leader



And the weaknesses of the book ?

The books is really
What successful brands do – not how brands grow.

"The glaring weakness of the Ehrenberg/Sharp project is that it is a static analysis. It compares competing brands with different market shares at fixed moments in time. They have never studied how brands become established in the first place and the mechanisms by which the largest acquired the greatest number of users – so the book is not about *how* brands grow."

David Cowan

Better books about how to get from small to big are:-