

Fame, Feeling & Fluency: When Brand Tracking Meets Behavioural Science

INTRODUCTION: REINVENTING TRACKING

Survey research assumes people can recall and predict not just behaviour, but reasons for behaviour. Most brand trackers therefore create brand-centric models of usage and loyalty. This is flawed for two reasons.

First, the assumption that behaviour can be recalled and predicted, and that reasons for behaviour are broadly transparent and conscious, is false. Behavioural science tells us that behaviour is driven by emotional and experiential factors more than respondents like to admit.

Second, marketing science shows that tracking's brand-centric models ignore reality. In *How Brands Grow*, Professor Byron Sharp proves loyalty is not central to brand success. He demolishes the idea that branding and growth is driven by *differentiation* between brands. Instead, brands are *distinctive*. They stand out for properties which may have nothing to do with their function or performance: logos, slogans, shapes, characters, colours, sounds, and more.

Traditional trackers are asking bad questions (purchase intent and brand image attributes) and drawing bad conclusions from them (building loyalty models and looking for differentiation). A rethink is needed.

Brand tracking is also a way of checking a brand's progress against strategic objectives. Its insights should both inform brand strategy and validate it. But increasingly, research buyers want trackers to account for new inputs and detail (e.g. social media data) in as close to real time as possible.

This pushes brand tracking into a very tactical role, operating within the limited time horizons that "agile" decisions demand. It leaves it with nothing to say about the strategic aims of brands and little way of judging, let alone predicting, their long term success.

By focusing on fundamental drivers of decision making, a modern brand tracker can offer simple, high-level, strategic insight.

FAME, FEELING & FLUENCY

How do people decide? Behavioural economist Gerd Gigerenzer says that humans make "fast and frugal" decisions to arrive at "good enough" choices. How do we know which choices are good enough? Not by careful comparison. Instead we use heuristics, or mental shortcuts. In 2003, Daniel Kahneman identified "baseline" heuristics involved in nearly every human decision.

Three baseline heuristics are particularly useful in explaining brand growth.

One is the Availability Heuristic – choices need to be mentally available. We call this Fame: *if a brand comes readily to mind, it's a good choice.*

Another is the Affect Heuristic – positive emotion makes choices easier and faster. We call this Feeling: *if a brand feels good, it's a good choice.*

The third is the Processing Fluency Heuristic – the most likely choices are those processed with minimum effort. We call this Fluency: *if a brand is easily recognised, it's a good choice.*

Fame, Feeling & Fluency – the 3 Fs – underpin most decisions by most people. They require a fraction of the effort required to fully consider a choice. Since most brand decisions are quick and easy, the 3 Fs drive brand growth.

What about expensive decisions like a new car? Humans don't divide choices into "fast" and "slow" ones – what Kahneman calls System 1 (fast thinking using the 3 Fs) *always* plays a role. In a big decision, the "decision process" involves finding evidence to back up the 'good enough' choice you want to make. System 1 has already decided – now System 2 is looking for reasons to seal the deal.

BRAND STRATEGY USING FAME, FEELING & FLUENCY

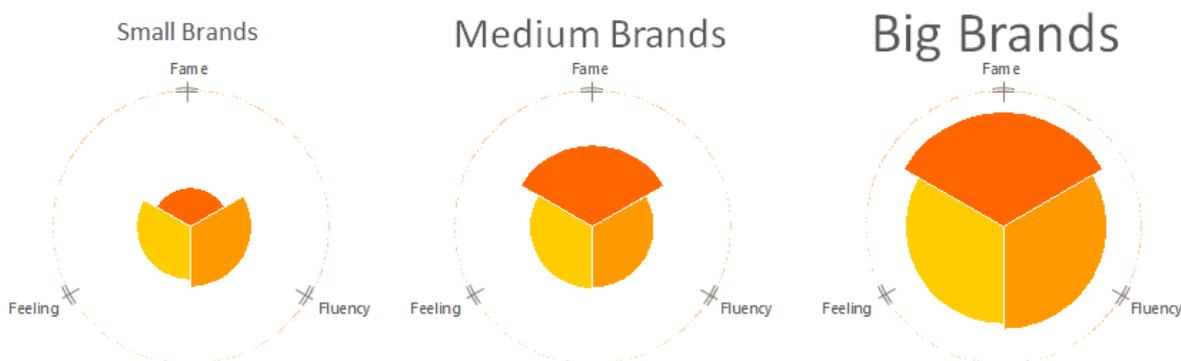
Fame, Feeling & Fluency each play a different role in brand growth.

Fame is most powerful in explaining current market share.

Feeling is a powerful influence on *future* market share. *Surplus or deficit feeling* – when a brand has more or less Feeling than its size would predict – is the strongest determinant of future growth, all other things (levels of investment, etc.) being equal.

Fluency has a strong relationship with price sensitivity. The more distinctive and recognisable a brand is, the more of a price premium it may be able to charge.

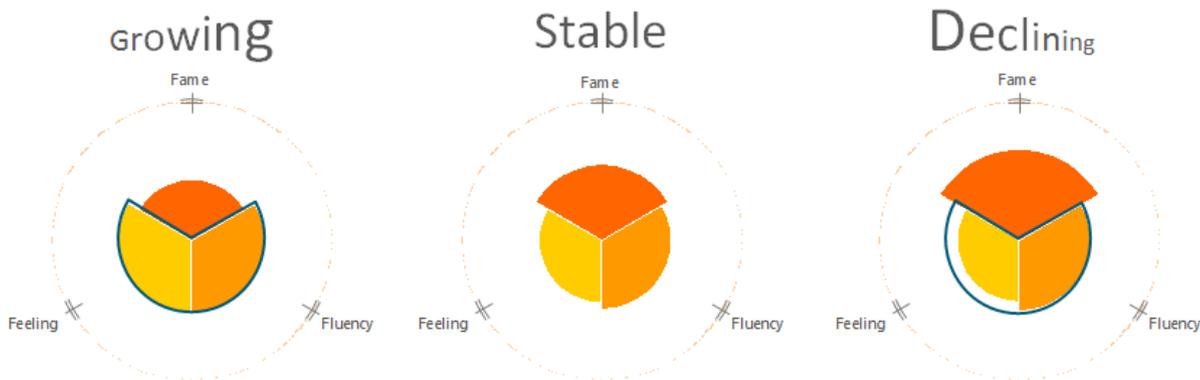
These different roles make the 3 Fs useful strategic tools. First a brand identifies where it needs to concentrate – on Fame, Feeling or Fluency – and then it can work out where to invest to raise each of the three.



For Fame, a brand needs quantity of media and experience – it becomes well-known by being seen and talked about everywhere.

For Feeling, a brand needs quality of media and experience – it has to leave people feeling positive. Emotional communication – which is linked with positive business effects for brands (see Binet and Field, 2008 and 2013) – is the best route to this.

For Fluency, a brand needs strong distinctive assets which will make it recognisable.



MEASURING FAME, FEELING AND FLUENCY

Measuring the 3 Fs is a critical job for any marketer.

A lot of fast decision making takes place below the surface of consciousness and is hard to accurately capture. Modern research, exploring System 1 decisions, must balance accuracy with scalability and participant burden. Academically purer techniques may make respondents angry or bored.

Our 3 Fs techniques are developed with this in mind.

To measure Fame, we use a time pressure question to measure unprompted brand awareness in category context. The context aspect is crucial – mental availability only matters in a decision context.

To measure Feeling, we use our FaceTrace methodology, based on universal emotions identified by psychologist Paul Ekman. (Happiness, Surprise, Fear, Sadness, Anger, Disgust and Contempt – plus Neutrality, the absence of emotion.) Shown faces corresponding to these emotions, the participant picks the closest to how the brand makes them feel. They indicate the strength of emotion and why they feel that way. For Feeling, we are interested in the emotion Happiness – positive emotion drives future market share.

To measure Fluency, we use time-pressured “fast explicit” association between brands and the attribute ‘distinctive’. Our tests show that this is the best proxy for a brand’s association with its unique assets. We also measure individual associations, though, asking participants under time pressure to associate assets with a brand, and measuring the associations that result. This ‘Distinctive Asset Test’ provides actionable guidance for the brand.

STAR RATINGS AND FUTURE STARS

We turn the 3 Fs into a 1-Star to 5-Star Rating indicating the current strength of a brand. A 1-Star brand (“Unknown”) has a low market share and is not seen as a good choice by many. Whereas a 5-Star brand (“Famous”) would be seen as an obvious choice by most consumers in a category. Clearly, a brand should be aiming to gain or maintain 5-Star status!

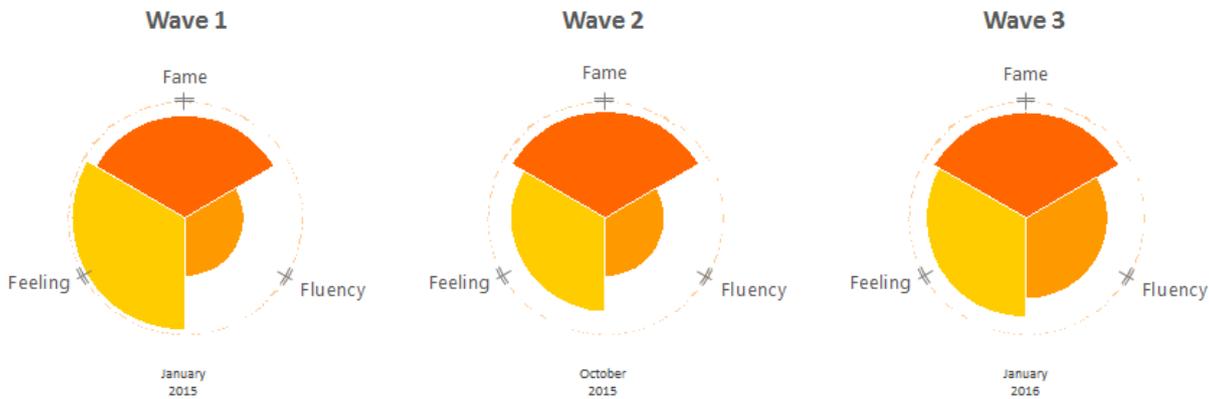
The Star Rating reflects current strength in a category. The model then applies *surplus* or *deficit Feeling* to predict a future Star Rating. This is where the brand will be within the next year – assuming current trends continue.

VW: THE 3 Fs IN A CRISIS SITUATION

To illustrate Fame, Feeling & Fluency, we will focus on VW, who we’ve been tracking for the last year. In September 2015, months after our tracking began, VW was exposed as cheating on emissions testing, making its

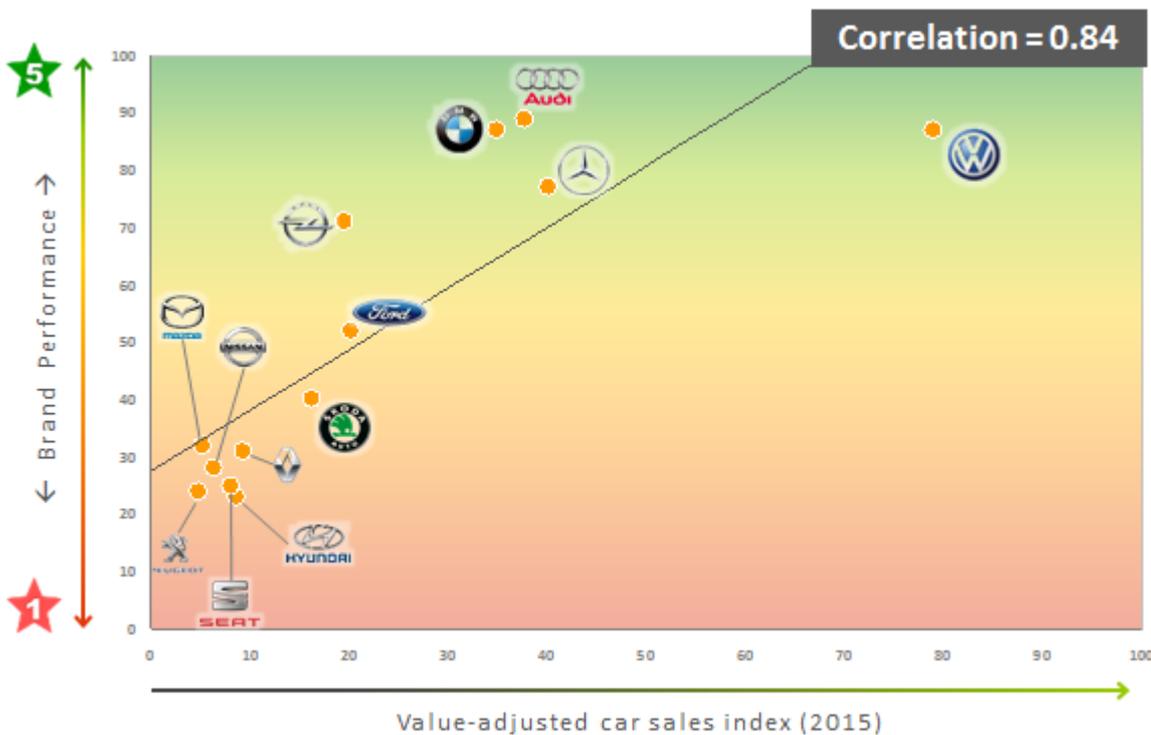
vehicles seem cleaner than they were. The scandal had a catastrophic effect on VW's share price, forced resignations, and sparked ongoing legal action.

We ran an extra dip of our 3 Fs tracker in October 2015, just after the scandal broke. Then in the January 2016 wave we saw how VW was recovering from any bad effects.



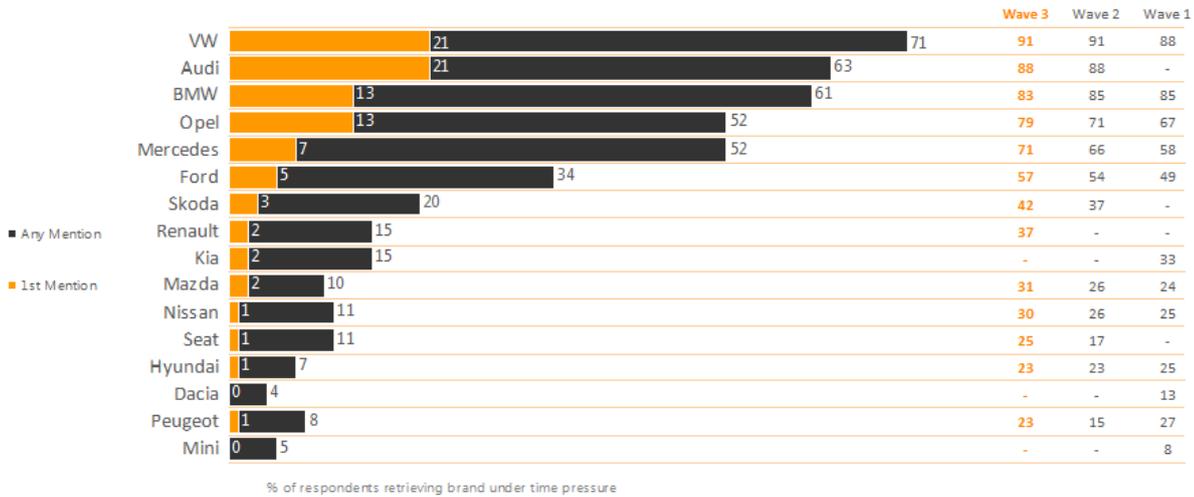
OCTOBER 2015: THE INITIAL SCANDAL

In our January 2015 wave, VW was a high 4-Star brand at the top of the German market, trailing rival BMW by a tiny amount. (The star rating has a high correlation with current car sales – 0.84).



VW also had an advantage – it had the highest Feeling on the German market, and its surplus Feeling meant we would have predicted in January 2015 that VW would grow, and cross the boundary to become Germany's only 5-Star car brand. The scandal changed all that.

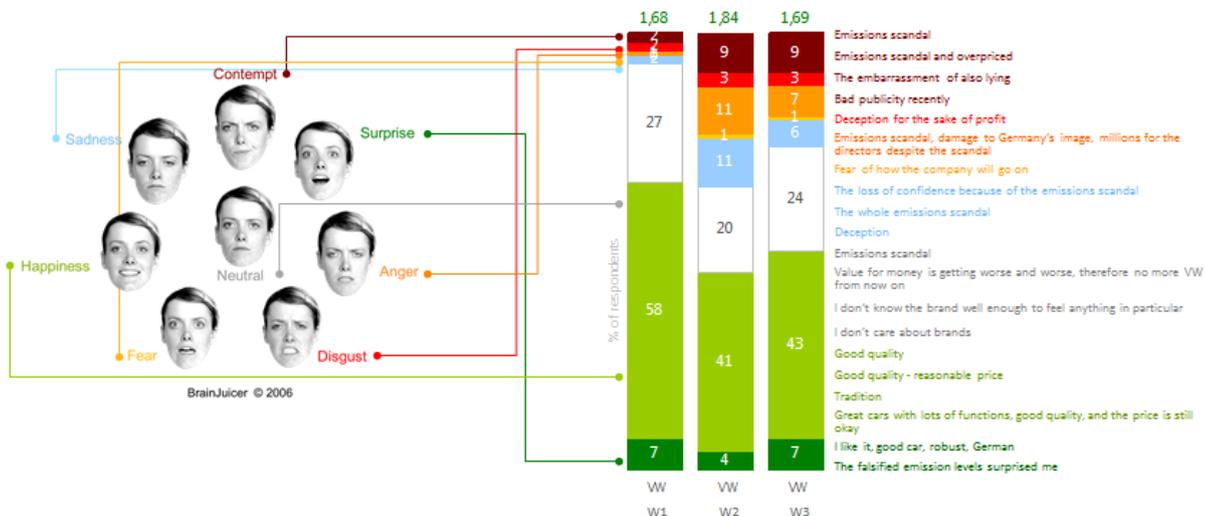
The October post-scandal wave saw VW's Feeling dramatically drop, though its Fame and Fluency were unchanged. Feeling is vulnerable to shifts in public opinion, whereas a brand's mental availability and its recognisability (the drivers of Fame and Fluency) work regardless of whether people like it.



VW, despite its problems, never stopped being a 4-Star brand. Star ratings are designed to be stable and change slowly – they reflect the underlying strength of the brand. But its surplus Feeling had also fallen: we were no longer predicting sales growth for VW, but decline.

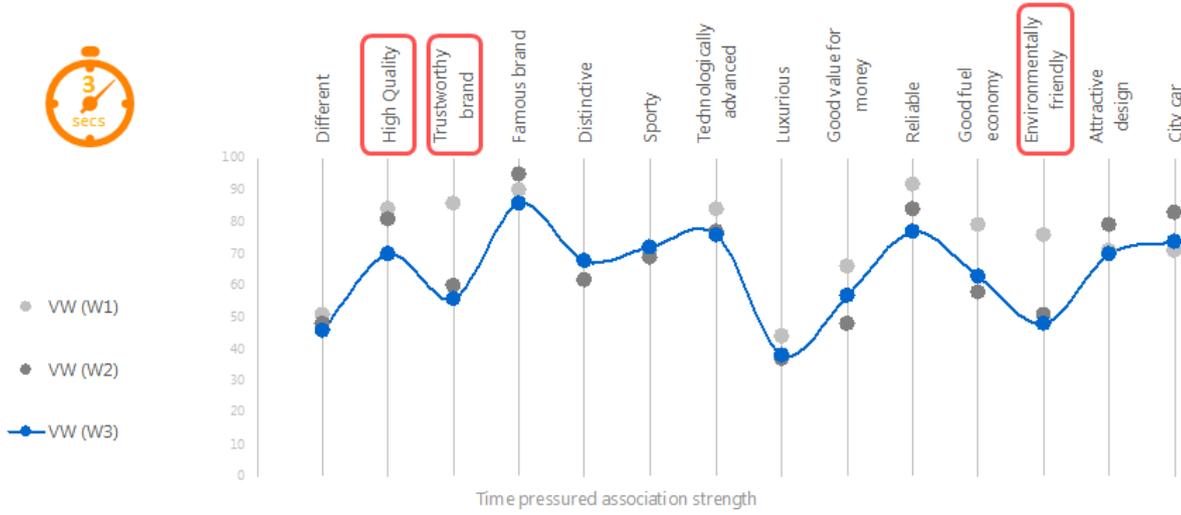
JANUARY 2016: ROAD TO RECOVERY?

The results for January 2016 are a lot more promising. Feeling began to bounce back for VW. It's still in a year-on-year decline, but recovering rapidly from its post-scandal lows. In verbatims, consumers haven't forgotten the emissions scandal but it no longer dominates conversation that much.



The brand has enjoyed a more surprising bonus – a sizeable boost for VW's Fluency. The continual appearance of the brand and logo in the news has had this effect.

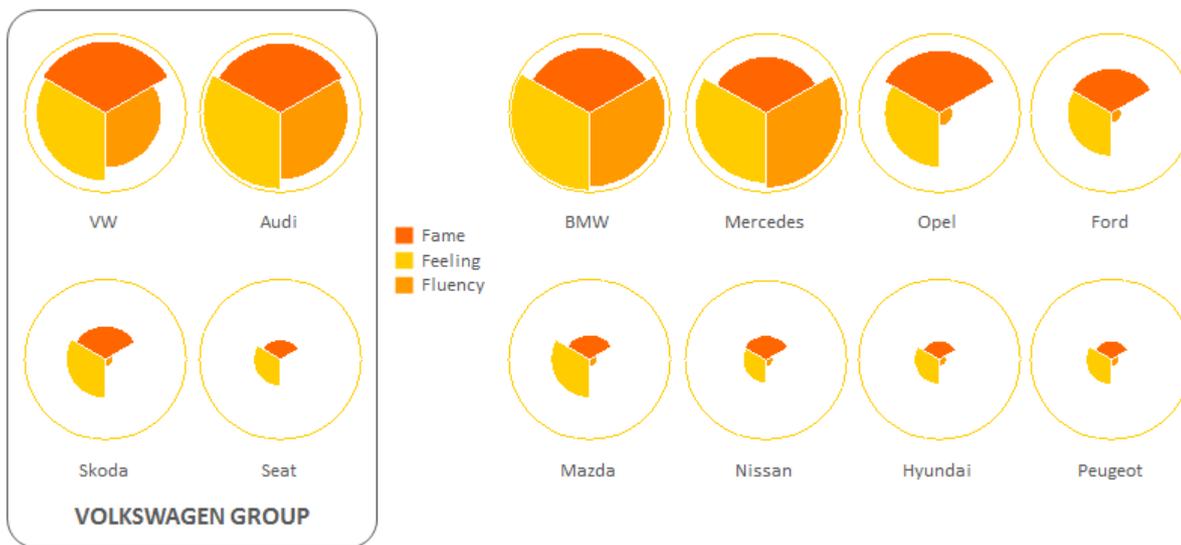
Deeper in the data we see one scar left by the scandal. Compared to its premium rivals, Mercedes and BMW, VW loses on three key associations: environmentally friendly, trustworthiness and high quality. The quality gap is new for VW – and even when Feeling returns, it may be a hard association to win back.



THE VW GROUP AND VW'S RIVALS

We then looked at other brands in the Volkswagen Group. Audi seemed unaffected by the scandal with extremely high Feeling. Skoda and Seat performed more poorly, but they were smaller market players in the first place. We conclude that the scandal has been successfully limited to the VW brand, not to associated Volkswagen brands.

This limited effect of the emissions scandal has a downside for VW. In October 2015 it still seemed likely that contagion would occur across the industry, drawing in rival brands and diffusing the negative effects. Instead, the German automotive sector as a whole is strong. VW's competitors have performed well, especially Opel and Mercedes, growing from 3-Star to 4-Star brands. VW is still one of the strongest German brands, but its mistakes have significantly narrowed the gap between the brand and many of its rivals.



THE FUTURE: FINDING THE RIGHT STORY

What does VW's increased Feeling mean for the future? Sales dipped thanks to the scandal, as we predicted from our Wave 2 (October 2015) results. But Wave 3 was more positive. Experts suggest the brand will struggle to restore trust, but we are less pessimistic. Our predictive Future Star Ratings show VW remaining a 4-Star brand and regaining ground. We expect sales for the brand to rebound in 2016.

How can VW act to achieve this outcome? It needs to keep regaining Feeling. Emotional communication would help, but VW also needs to tell the right story.

We ran a technique called Storyteller on the VW brand. Storyteller is based on how human beings process information. As the psychologist Jonathan Haidt puts it, “we are not logic processors, we are story processors”: humans judge new information by fitting it into existing narratives they find credible and emotional. Any story VW tells will only work if people already believe in and like the story.

To be emotionally resonant, stories should be archetypal. We use the 7 Basic Plots framework identified by critic Christopher Booker. These are narrative forms which recur across literature and folklore over millennia, suggesting they have high Fluency – people quickly recognise the story.

They are:

Quest: The hero achieves a strong positive goal.

Overcoming The Monster: The hero defeats an opposing force.

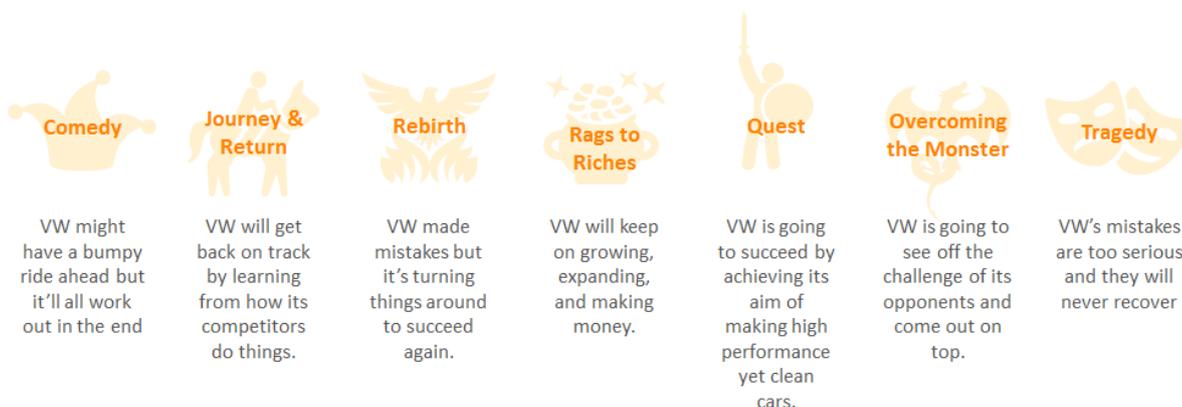
Rags To Riches: The hero overcomes disadvantage to achieve success.

Journey And Return: The hero looks elsewhere and brings home transformative knowledge.

Rebirth: The hero admits their flaws and becomes a better person.

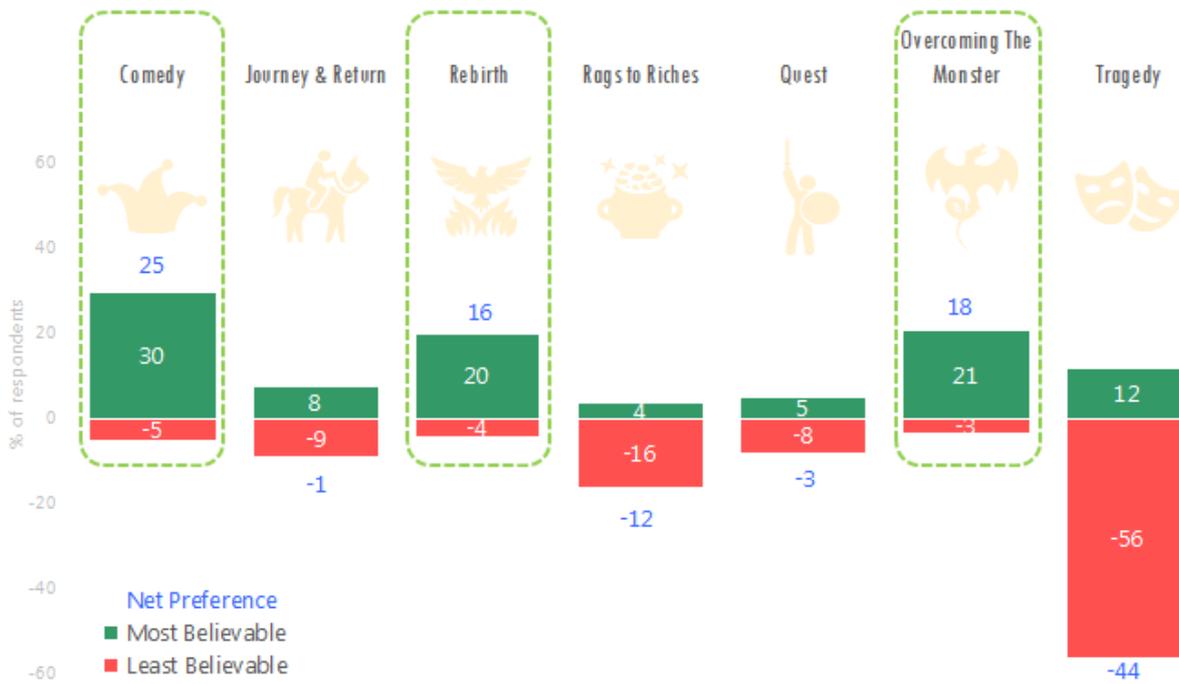
Comedy: The hero makes mistakes but ends up with a happy ending.

Tragedy: The hero dooms themselves by their own flaws.



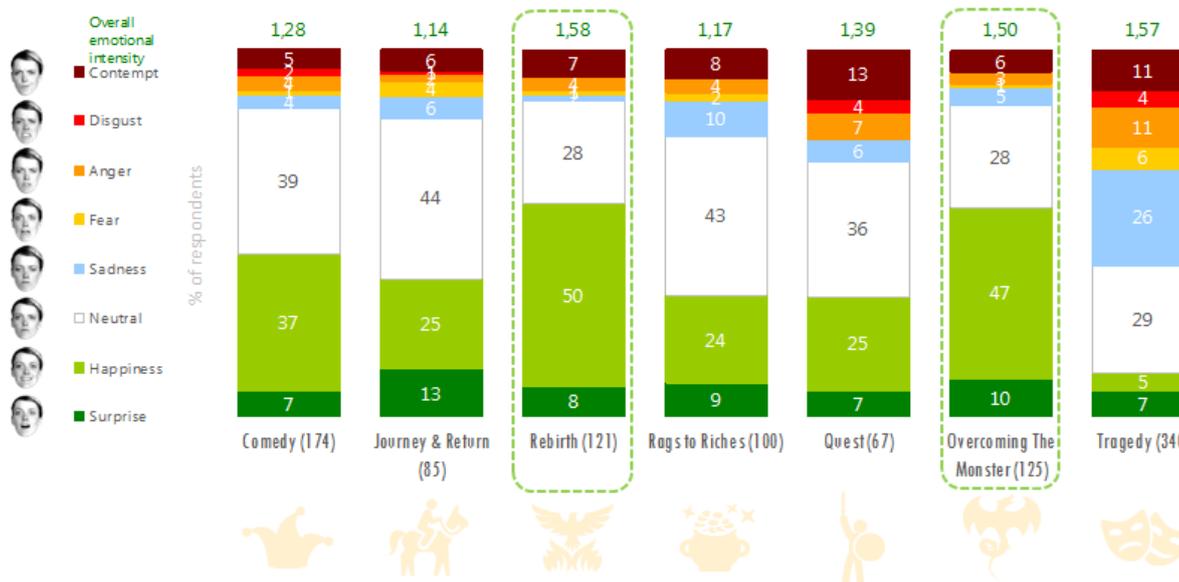
We draw up storylines for brands matching the seven plots, then ask quantitatively which are believable and emotionally resonant. Storyteller offers a “current story” – the most currently believable. It also offers an “ideal story” – one credible enough to be achievable for a brand that also makes people feel best. Sometimes the current and ideal story align: often they do not.

For VW, Comedy – “VW will have a bumpy ride but it will all be OK in the end” - came out as the current story, with 84% seeing it as credible, and 30% calling it the most credible. Comedy is a typical story for a brand in trouble. It promises a happy ending, but has harsh words for the brand’s situation in the present. The German public understand that VW is, ultimately, too big to fail.



But VW needs a more positive emotional storyline.

The most emotionally potent stories are Rebirth and Overcoming The Monster. Rebirth sets out a VW who has learned their lesson and is bouncing back – a massive 87% of people feel it’s potentially credible, and it draws the most positive emotional response. Rebirth is VW’s ideal story.



Overcoming The Monster also does very well, positing a VW which is fighting back against its competitors and opponents and coming out on top. Overcoming The Monster does nearly as well as Rebirth, which is remarkable since the two are very different. It suggests there is a strong cadre of Germans who feel VW has not done much wrong and should come out fighting.

VW must tell a story of repentant Rebirth without disappointing people who are still proud of VW and feel it should fight back. How it strikes this balance will help determine the course of its recovery.

CONCLUSION

This paper offers two innovative techniques for brand understanding. Fame, Feeling & Fluency is tracking using the broad mental impressions that guide consumer choice. Storyteller is a way of helping brands grow their 3 Fs by finding the right story.

VW is a brand which has been wounded by scandal, and lost ground to its competitors, but is coming out of one of the darkest periods in its history in surprisingly strong shape, just as famous and more distinctive. To fully recover it needs to rebuild positive Feeling. It can do this by telling a proud story of Rebirth, one its German audience is very ready to hear.

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Awards

*2016 Ulrike Schöneberg Award for Best Paper at Kongress der Deutschen Marktforschung
as presented by Mark Johnson, Managing Director – EU at BrainJuicer*

Contact enquiries@brainjuicer.com to learn more about Fame, Feeling & Fluency and BrainJuicer's Storyteller.

