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MBLM Announces Retail Industry is #3 for Brand Intimacy with Amazon Leading the Way

Brand Intimacy 2017 Report Reveals Whole Foods and Target Rank Second and Third;
Industry Also Successful with Building Bonds with Women

NEW YORK — May 9, 2017 — MBLM, the Brand Intimacy Agency focused on strategy, design, creative and technology, today revealed that the retail industry ranked third, following automotive and media & entertainment, in its *Brand Intimacy 2017 Report*. The report, which is the largest study of brands based on emotions, found that Amazon placed first in the industry followed by Whole Foods and Target. Brand Intimacy is defined as a new paradigm that leverages and strengthens the emotional bonds between a person and a brand. According to the 2017 report, top ranked intimate brands continued to outperform the S&P and Fortune 500 indices in both revenue and profit over the past 10 years.

The remaining brands in the top 10 for the retail industry are: H&M, Macy's, Nordstrom, Sephora, Ikea, The Home Depot and eBay.

"The retail category is in crisis," stated Mario Natarelli, partner at MBLM. "We know however, these brands including the most successful ones, have the capacity to build strong bonds with consumers, based on convenience, quality and fulfilling expectations. Brand intimacy can offer brands in this category a way to deepen relationships and retain valuable customers."

Amazon truly stands out in the retail industry. The brand accounted for 43 percent of all online retails sales in the U.S. and 53 percent of growth in e-commerce sales.

Amazon also has an impressive suite of other businesses, some of which positively impact the company's e-commerce sales. The brand goes to great lengths to please customers and offer superior convenience. Recently, the company has been investing heavily in shipping to make delivery even faster, leasing planes from cargo companies, buying trucks and building delivery drones. The brand continually strives to exceed customer expectations. Traditional brands have been hit hard from the dominating success of Amazon and the digitization of the industry.

Traditional brands have been hit hard from the dominating success of Amazon and the digitization of the industry. Macy's, Sear's, Kohl's, J.C. Penny and Dillard's have collectively closed 700 stores since 2013. Some brands, though, have responded positively and incorporated technologies in the business including Sephora, ShopBot, H&M and Sport Check.

Other U.S. retail industry findings from MBLM's 2017 report include:
- The archetype most associated with retail is fulfillment, which relates to exceeding expectations, and delivering superior service, quality and efficacy
- The top brand for consumers both under and over 35-years of age is Amazon; both groups also rank Target and Whole Foods within their top five brands, with younger consumers preferring Target and older consumers favoring Whole Foods
- On average, higher-income individuals are more intimate with retail brands

- Retail is only one of five industries that has more success building bonds with women than it does with men, along with consumer goods, fast food, health & hygiene, and apps & social platforms

This year's report contains the most comprehensive rankings of brands based on emotion, analyzing the responses of 6,000 consumers and 54,000 brand evaluations across 15 industries in the U.S., Mexico and UAE. MBLM's reports and interactive Brand Ranking Tool showcase the performance of almost 400 brands, revealing the characteristics and intensity of the consumer bonds.

To download the full *Brand Intimacy 2017 Report* or explore the Ranking Tool please visit: http://mblm.com/brandintimacy/.

Methodology
During 2016, Praxis Research Partners conducted an online quantitative survey among 6,000 consumers in the United States (3,000), Mexico (2,000), and the United Arab Emirates (1,000). Participants were respondents who were screened for age (i.e. 18 to 64 years of age) and annual household income ($35,000 or more) in the U.S. and socioeconomic levels in Mexico and the UAE (A, B, and C socioeconomic levels). Quotas were established to ensure that the sample mirrored census data for age, gender, income/socioeconomic level, and region. The survey was designed primarily to understand the extent to which consumers have relationships with brands and the strength of those relationships, from fairly detached to highly intimate. It is important to note that this study provides more than a mere ranking of brand performance and was specifically designed to provide prescriptive guidance to marketers. We modeled data from a total of 54,000 brand evaluations to quantify the mechanisms that drive intimacy. Through factor analysis, structural equation modeling, and other sophisticated analytic techniques, the research allows marketers to better understand which levers need to be pulled to build intimacy between brands and consumers.

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About MBLM: Founded in 2004, MBLM is the Brand Intimacy Agency, which is dedicated to creating greater emotional connections between people, brands and technology. With offices in nine countries, its multidisciplinary teams help clients deliver stronger marketing outcomes and returns for the long term. To learn more about creating and sustaining ultimate brand relationships, visit mblm.com.