

# THINKING

# Retail

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## RESEARCH FOR WHOLE BRANDING

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### INTRODUCTION

With the fierce competition that faces retailers in today's market, a powerful image of a store itself, as well as the products it sells, is key to surviving and prospering. "Whole Branding" – a concept developed by John Torella of J.C. Williams Group – is an approach to retailing that develops a store as a brand. Specifically, it's the concept of creating a "360° view of the brand" and enforcing the brand at every point of contact between the store and its stakeholders. In essence, the customer is enveloped by the brand.

This concept moves away from the idea that branding is essentially another word for marketing and suggests that instead, branding has to involve a wide range of activities that will ultimately deliver the brand through experience.

### Brand Assets

A whole branding strategy will ensure the long-term profitable growth of the company. This means Whole Branding Implementation must deliver better financial performance, along with an increased Return on Investment (ROI). This financial success is the very equity of the brand.

In exploring brand equity, the assets of the brand have been identified in other research work (Boisvert and Coderre 2000) as perceptual, attitudinal, and behavioral. As these assets grow, so does the financial value of the brand. Retailers who have implemented a whole brand strategy experience growing financial success. For example, J. Jill, a multichannel retailer levered its strong brand franchise to build a store, catalog and Internet powerhouse. By constantly pumping up its brand, J. Jill transformed its operating profits from six million dollars to over 22 million over five years.

The brand assets can be gauged both inside a company – by its staff – and outside, by the response of its customers. A company needs to take both these external and internal responses just as seriously.

### External Measurements

Intuitively, most companies understand that consumers' responses to their products and services are fundamental and in the end will be the source of their success or failure. In other words, the reality of the brand is really in the minds of the consumer. Consequently, research needs first and foremost to determine just who the target customer of the brand is. Then, it needs to ascertain and develop a solid understanding of the customers' images of the brand. Essential to this is understanding just what is the current experience of the brand and how that perception has evolved and continues to change.

## Internal Measurements

Companies often overlook the role employees play in creating and enhancing the brand. But it's essential to remember that the internal structure of the company and its employees are the heart and soul of the whole branding strategy. Ingenious brand communication strategies can be all but lost if the company does not have the workforce, structure, and internal will power to get the message out.

Figure 1 is showing the elements that need to be in place both internally and externally for brand success.

The following is a discussion of the role of research in branding, based on measuring these assets at each stage of brand development to help maximize the overall brand equity.

## RESEARCH'S ROLE IN THE STAGES OF WHOLE BRAND DEVELOPMENT

Whether a company is launching a new brand or redeveloping an existing one, the interdisciplinary brand team needs to follow a number of steps to guarantee a proper entry or re-entry into the market (see Figure 2 on the following page). The first step involves the initiation of the brand project and development of a brand plan. The second is brand building at which point the "brand plan" is put in motion. Once that happens, ongoing brand management – a stage that can last for many years depending on how dynamic the marketplace is – has to kick in. At a certain point, brand reinvention may be required in order for the brand

to maintain its strengths or to grow to meet its full potential. When this happens, the steps repeat themselves. Needless to say, research plays a critical role in each of these steps in assessing what is needed next.

## Initiation

Research focused both inside and outside the company has to happen when a company is considering launching a new brand. It's a stage in which research is key: it's time to delineate basic facts about the brand from employees and potential customers. Therefore, a two-pronged research approach is clearly required to provide the "reality check" that is essential to the other brand development work that is done at this stage.

Figure 1

ELEMENT	EXTERNAL	INTERNAL
Perceptual Assets	Awareness Associations Quality Delivery of wanted products Personality/Character	Clear articulation and understanding of the brand Personality/Character Focusing on important /desired qualities Heritage, Brand Myths
Attitudinal Assets	Preference Attachment Purchase intention Willingness to pay a premium and/or make an extra effort to find	Affinity to the brand Loyalty Feeling capable of/committed to delivery of the brand promise
Behavioral Assets	Choice Activity/Frequency of use	Taking every opportunity to deliver on the brand promise
Financial Performance	Premium returns on investment Higher growth rates Growing market share	Expect better financial performance Pride in delivery Share in the premium performance

## External

The most important question for external research to answer is “who is the target customer?” To figure this out, the target market needs to be broken down in various segments to grasp the total potential consumer market for the product. This cannot be a simple demographic profile or even the more complex geodemographic and attitudinal segmentation that has become popular for retailers in the past decade or so. Rather, segmentation needs to relate very specifically to the reasons why and how customers shop for a particular product. It must look at their priorities in relationship to this product. What

research has made clear is that customers who “look” the same from a demographic and attitudinal perspective can shop very differently for the same product. This is because their attitudes and priorities related to this product are very different.

Once the customer segmentation work has been done and these segments have been sized up, it is time to get a clear understanding of the attitudes these segments hold toward the various brands in the marketplace. In other words, what are their attitudes towards the brands and where do they fit into their lives? A company needs to look closely at the perceptual and attitudinal assets of each brand

including awareness, relevance, appeal, and commitment. This investigation will provide essential information for the branding team about the current customer, the potential customer, as well as the competitors.

## Internal

A brand comes from within a company, and it’s the heritage of the company that will give cues to the role of the brand in the future. Because of the crucial role that the company plays in delivering the brand, a thorough review of the current attitudes of staff is required. This review must include input from all levels of the organization. While taking into account the outlook of senior executives is important, it’s also crucial that those who deliver the brand on a daily basis be heard from.

Research at this stage should include a mix of both qualitative and quantitative techniques. Focus groups, one-on-one in-depth interviews and surveys are all tools that should be used to access internal and external input.

Once this information has been analyzed and synthesized, the “brand storming” begins. A multi-disciplinary team working with a branding professional should work on either developing the new brand or redeveloping the existing brand. The key decisions that should be made are outlined in Figure 3.

Figure 2



## Brand Building

At the end of the initiation step, a plan for the brand should by now have emerged, giving an overview as well as delineating the major functions of the company such as operations, merchandising, human resources, marketing, and promotions. Now each segment of the organization must commit to a brand plan. Each must deliver its own part of the brand in a way that is consistent with the overall brand. As this delivery begins, research evolves into monitoring and setting up a feedback mechanism that will ensure the coherence of delivery.

### External

Research will monitor the changing attitudes of the target segment towards the brand. This should reveal key behavioral patterns of how well the brand is breaking through and whether it is in fact truly differentiated from the competition. This external research must monitor not only the reactions of customers, but also of other key stakeholders such as suppliers.

### Internal

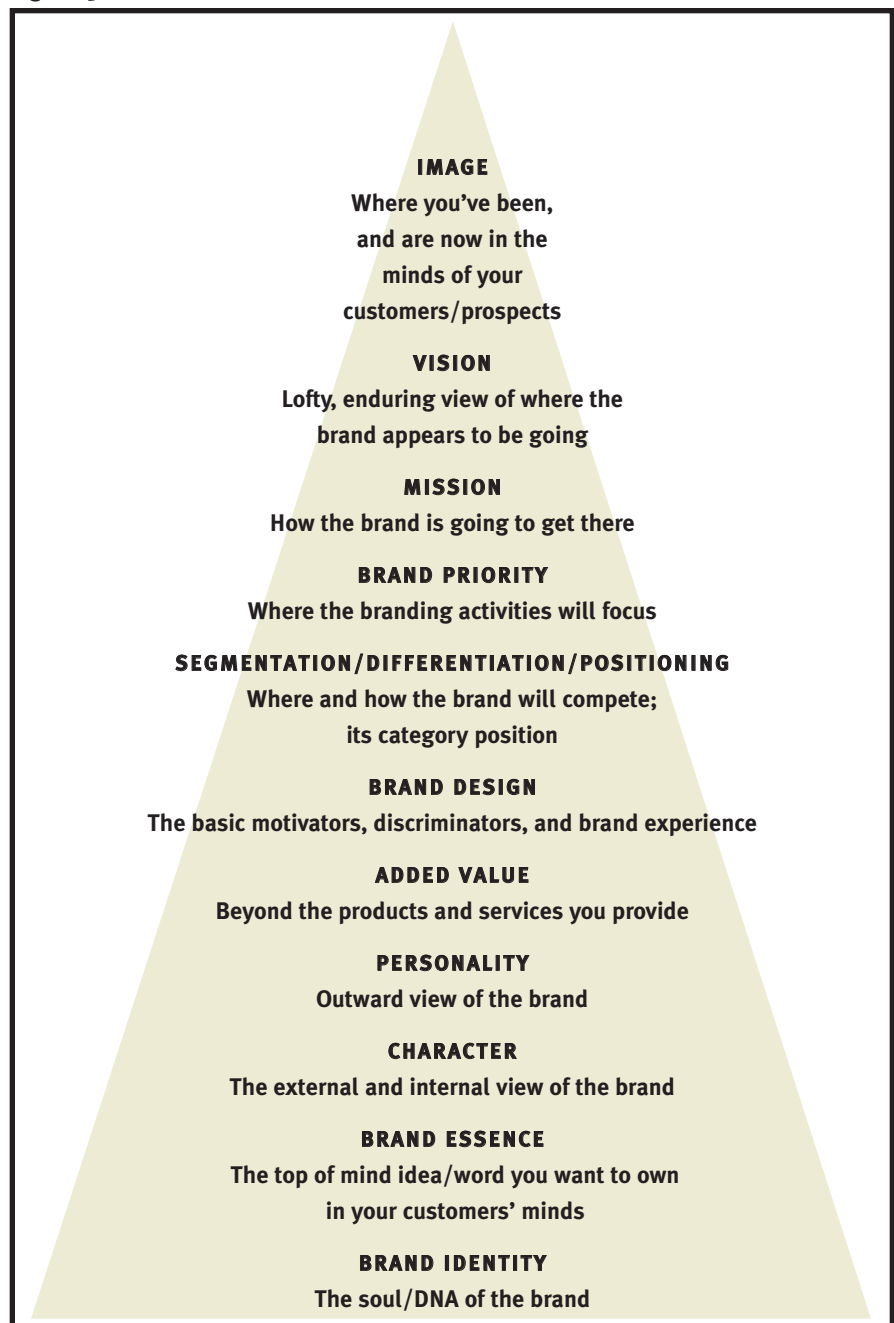
Internal research will give feedback on the overall acceptance of the brand plan and the commitment of employees at all levels in the brand delivery, which must be monitored. Feedback on problem areas will allow managers to assess how things are going and make corrections to their plans.

While research will be an important way of gauging how the brand is doing, the financial results of the company are the key indicator to track. The ultimate goal of the branding process is to up the value of the brand. Measures such as increased sales and decreased markdowns should be expected as the brand comes into its own.

## Ongoing

Branding is an ongoing process rather than a realized state. Because of this, the process of ongoing monitoring is another part of research's role in branding. Changes in consumers, the competition or the position of the company must be tracked for new problems and especially fresh opportunities.

Figure 3



### **External**

Issues like the changing attitudes of the target market segments may signal a need for adjustments to the brand or simply new tactics in approaching the segment. New competitors must also be monitored as well as the effects of changes in established competitors. The continual monitoring should always be assessing the validity of the brand plan.

### **Internal**

Internally, issues like new brand delivery methods or new technology may change some of the ways that employees perform their work. But keep in mind that these changes should enhance the brand delivery and enhance the customer's and the supplier's experience of the brand. New employees must also be tracked to ensure they understand the brand and deliver the brand promise at a high level.

The financial results are also tracked to make sure that the company is continuing to grow and deliver strong financial results. Changes in the percep-

tual, attitudinal, and behavioral assets of the brand are likely to surface before financial results are affected. A downturn in these asset measures will inevitably lead to poorer financial results.

### **Reinventing**

Constant monitoring may simply signal new opportunities to enhance the brand. However, a reinvention of the brand may also be required if external changes have made the brand less competitive. Clues to whether a reinvention of the brand is required will emerge in the ongoing research program. These clues include:

#### **External**

- ◆ Declining market share,
- ◆ Declining relevance to the target market, and
- ◆ Decreased preference.

#### **Internal**

- ◆ Poor financial performance
- ◆ Decreased commitment to the brand, and
- ◆ Searching for new ways to increase financial performance.

Remember: reinvention starts at the initiation stage. This takes the branding process full circle. The key issue in the reinvention will be to alter the brand to make it more relevant without changing its essential character. Brand character means its internal values – the trust and caring that have made the brand great. While the external aspects of the brand can be reinvented, it is the character that has to survive.

### **CONCLUSION**

Research is critical in all the stages of branding. The challenge to the researcher, of course, is to ensure that the information relevant to each stage in the brand plan is done at the appropriate time. A good researcher will be challenged to match the most well suited methodologies to the right stage. When done properly, this will yield the answers to the questions asked by management – and also ask the questions that need to be raised to ensure that the brand is relevant.

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