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QRi Consulting and FutureBrand

Abstract

The value of the world's largest organisations is typically understood in terms of market capitalisation. QRi Consulting have developed a tool for FutureBrand for measuring the emotional connection consumers have with PwC's Global Top 100 Organisations and the way this can broaden our definition of organisational value. The result is the FutureBrand Index: a research study based on a QualiQuant® analysis of Purpose and Experience attributes and other diagnostic measures. The findings include four organisational typologies, the most competitive of which we have dubbed 'future brands'.

Introduction

In an age of real-time global communication and transparency, constrained resources and macro-economic shifts to new centres of power, we are increasingly concerned about the beliefs and behaviours of the organisations that provide the products and services we trust and depend on. Global perception of these organisations makes a difference to their future reputation and value as they influence our decisions about what to buy, invest in and where to work. So it is increasingly important to understand organisational brand strength as an input to strategies for future success.

Despite this, organisational performance and strength still tends to be measured in purely financial terms. However, financial value does not always correlate to perception strength: indeed a high market capitalisation does not guarantee a strong brand. Arguably, in the 21st century, brand strength is best understood in terms of the balance of perceptions between what an organisation stands for – its Purpose – and how it delivers it – the Experience. This connects to a broader principle that contemporary drivers of choice in a complex global culture are increasingly about reconciling what we want today with what we need tomorrow, rather than just being about the satisfaction of impulses without consideration of their consequences. And organisations that are felt to strike this balance in peoples' minds will have a competitive advantage now and in the future. To test this hypothesis, we set out to measure global public perception of PwC's (PricewaterhouseCooper) Global Top 100 Organisations by market capitalisation.

The FutureBrand Index 2014 is unique as it is the first to produce an index of the Global top 100 organisations ranked on the more emotional synergistic integration of purpose and experience factors, not just by market capitalisation. The image of an organisation is critical in influencing the way consumers respond to all the brands in its wider brand portfolio. It is widely accepted that emotions play a substantial role in decision making, helping to shape perceptions and beliefs and influencing behaviour. Organisations that connect with consumers on an emotional level in terms of what they do today and their long term

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positive impact, are shown to have a higher brand strength, which in turn leads to the future success of that organisation. Indeed creating an emotional connection is critical in influencing 21st Century decision-making where a decision made now has an impact on the future.

In developing the techniques for measuring the emotional, rather than financial, value of an organisation, QRi and FutureBrand needed to evaluate what Brands mean to people at an in-depth, predictive level. QRi's QualiQuant® methodology also utilised their experience in understanding and measuring perceptions of a Brand at an emotional subconscious level for members of the Informed Public, which enabled the development of the FutureBrand Index.

Methodology

QRi Consulting (formerly CRAM International and QiQ International) developed the QualiQuant® methodology as a tool for measuring the emotional value of a Brand. QRi's QualiQuant® approach combines in-depth diagnostics from a quantitative interview using qualitative projective questions, as well as open-ended feedback (Pawle & Cooper 2001).

The FutureBrand Index of PwC's Global Top 100 organisations uses the QualiQuant® approach to measure the balance between what an organisation stands for – its Purpose – and how it delivers it – the Experience (see fig 1). We then diagnosed the Synergistic Integration between Purpose and Experience and determined whether or not an organisation is Future Proof i.e. whether it is more likely to succeed in the future or not.

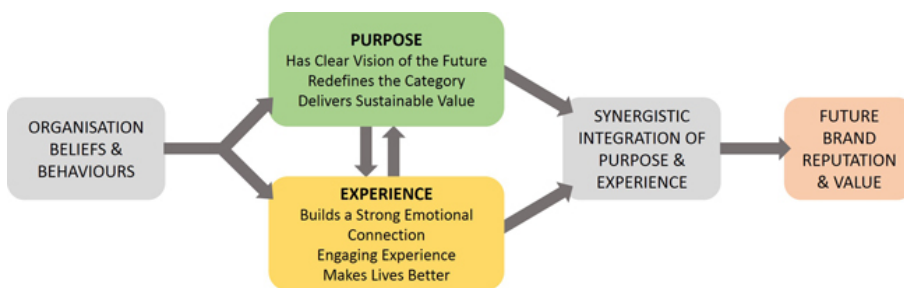


Figure 1. The FutureBrand Index Model

QRi Consulting worked in close collaboration with FutureBrand to define the research approach against FutureBrand's initial hypothesis, based on QRi's proprietary QualiQuant® methodology, providing in-depth analysis of the qualitative and quantitative data, as well as managing recruitment, data collection and questionnaire development. A 15 minute online questionnaire was developed as it is ideal for measuring emotion, particularly in terms of System 1 responses, because of its visual and interactive nature (Pawle & Delfaud 2013).

The sample was designed to be analysed at a regional level. We surveyed 3,030 members of the informed public across 17 major countries around the world:

- North America (USA, Canada)
- Latin America (Brazil, Argentina, Mexico)
- Europe (UK, Germany, France, Russia)
- Middle East and Africa (Turkey, South Africa, UAE)
- Far East (India, China, Thailand, Japan, Australia)

'Informed Public' was defined as aware of and know something about at least 7 or more of PwC's Global Top 100 Organisations, ABC1, 21-75 years old, male & females. Our aim was to understand strength of perceptions and associations of those people who can show reasonable awareness.

Respondents were asked questions about 7 different organisations across 18 specific attributes within the dimensions of 'Purpose' and 'Experience', as well as a series of other factors, to develop a new ranking driven by strength of perception.

QRI's QualiQuant® analysis of the Index gave rise to a segmentation that identified 22 organisations that were dubbed "future brands" – brands that have very strong and balanced perceptions across both the purpose and experience dimensions and can be seen as the most 'future proof'.

The results reinforce the fact that financial value and past performance are no guarantee of future brand strength. Two striking examples of the findings are:

1. Unilever ranked 9th in the FutureBrand Index (whilst being 52nd in the PwC capitalisation ranking)
2. Exxon Mobile ranked 89th (2nd in the PwC capitalisation ranking)

Overall the FutureBrand Index shows the importance of measuring what really matters to consumers, rather than just market capitalisation, to ensure future brand success.

The Dimensions and Attributes of a 'Future Brand'

At the heart of the FutureBrand Index are the Purpose and Experience Dimensions. These were defined by FutureBrand as:

Purpose:

Has a clear vision of the future

Purpose: We are increasingly drawn to brands with a strong sense of 'why' they are here beyond the act of making money. This purpose is an articulation of core beliefs with which people can identify. It also guides the brand or corporation towards the future it wants to see, and is the motivational force that gets people up in the morning. It's what the brand or corporation is here to do, rather than a list of its attributes, features or benefits.

Inspiration: For a vision to be compelling, it has to inspire change and action. Inspiration is figuratively about the process of being 'mentally stimulated to do or feel something, and especially to do something creative'. Brands that inspire people to change for the better and help them to see what could be possible in the future are the most compelling choice for today.

Authenticity: A brand can have a lofty vision, but it needs to connect genuinely to the task of an organization or the qualities of a product or service. We need to see the relationship between the future a brand wants to create and what it can legitimately deliver today, not least so that we can realistically participate in creating that future for ourselves through consumption, investment or employment.

Redefines the category

Innovation: A brand needs to go beyond change or novelty for its own sake, and instead focus on inventing products, services or experiences that are genuinely useful. Being known for this kind of innovation means that a brand focuses on adapting to the changing needs of its customers, consumers or market, rather than incrementally improving against its

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competition, and has more chance of shaping the future of its category as a result.

Thought leadership: Strong brands are always driven by strong ideas, and are unafraid of expressing clear views about their category, market or the broader world. They take a position and defend it with consistency and evidence. They want to inform what we think and how the world understands what they offer, rather than allowing other people to define it for them.

Individuality: Above all, strong brands are differentiated from their competition. They express a unique identity, values and personality that help them to stand out and be easily recognized. This is often at the cost of 'fitting in' and playing to category norms, which calls for a clear sense of who they are, why they are here and how it is of benefit to their customer or consumer.

Delivers sustainable value

Indispensability: Would the world, or your life, be worse if the brand ceased to exist tomorrow? In what way and would there be a credible alternative? The key to delivering brand value over the long term is to be seen as vital to peoples' lives today: to be something we cannot live without. This applies to organisations as much as products and services and the stronger the perception of indispensability, the more likely it is that the brand can be seen to address the fundamental needs of its stakeholders or customers.

Resource management: Does the brand make the best use of available resources – from people to materials and energy? Increasingly, brands are scrutinized for their supply chain and ethical credentials as much as their price, availability and quality. Organisations are expected to consider their environmental, economic and social impact in the normal course of business. And the same considerations are increasingly important drivers of consumer choice in categories as diverse as food, fashion and automotive. It is no longer a matter of 'green washing' or environmentalism – the imposed sacrifice of comfort and progress to save the world – but a requirement to make the best use of what we have and consider our impact for the long term.

Price premium: Brands bring measurable asset value to an organisation. The stronger they are, the more valuable the product, service or corporation becomes. Sustainable business cannot be achieved without consumers, customers or investors being prepared to value your brand more highly than an equivalent competitor. Which means a willingness to pay more to benefit from the brand when presented with a choice. Or feeling that there is no equivalent alternative.

Experience

Builds a strong emotional connection

Personality: Consumers perceive the same kind of personality types in brands as in people – and seek out brands that exhibit their desired personality traits by category. Perceptions of a strong and clear personality are critical to emotional connection. There are 5 key personality dimensions: sincerity, excitement, competence, sophistication and ruggedness.

Story: People build their identities around narratives – where they are from, who they know, what they have achieved – and are drawn to brands with strong stories as a result. The strongest stories are those that are created around archetypes – universal ideas and characters that transcend cultures to touch all of human experience.

Attachment: Attachment Theory has shown that what we think of as love or emotional connection can actually be understood in terms of degrees of attachment and attachment styles developed through continuous social interaction. The ideal state for

people, as for brands, is of a 'secure' attachment, in which unquestioned trust and positive dependency is developed through experience.

Engaging experience at every touch point

Consistency: Brands are a promise of consistent experience. We use them as heuristics – mental shortcuts – in a world of choice and limited time to avoid risk and recreate good experiences. It is vital, therefore, that our experience of a brand across different touch points is as consistent as possible to avoid reducing our belief in the brand being a safe option next time. This means it should look and sound the same, have the same taste and ingredients, communicate the same ideas or deliver the same performance quality every time you encounter it – from eating a meal to standing in a queue for the till.

Seamlessness: We live in a world where the physical and digital environments have merged. It is possible to interact with a brand in multiple channels in parallel and we want the brand to acknowledge and optimize our personal experience with that in mind. It is not enough for brands to be consistent. The 'connectedness' of a brand, and the intelligent use of data to personalize every interaction in real-time, is vital to a feeling that we are at the heart of a customer-centric experience.

People: How people behave, from leaders of organisations to customer care representatives in call-centres, is a critical part of our brand experience. The extent to which those people seem to believe in their work, care about us personally and follow through on their commitments determines how strong we feel the brand to be. In the end, technology can enable self-service and efficiency, but people are at the heart of engagement.

Makes Lives Better

Pleasure: The best brands bring us pleasure. From sensorial experiences to pride of ownership and the delight of a high quality product, brands should trigger positive feelings. When they do, they improve our experience of life and we want to share them with others and recreate the same pleasures as often as possible. The extent to which an organization, product or service is associated with human pleasure is an important ingredient in brand strength.

Wellbeing: People are increasingly preoccupied with their general wellbeing – from mental and physical wellness to spiritual health. In addition to bringing us pleasure, brands have an opportunity to contribute to that wellbeing by focusing on human needs and interests and considering what is 'good' for people in consumer, organisational and community life. The more a brand is felt to improve wellbeing, the more it will be connected with making peoples' lives better.

Respect: Brands need to demonstrate that they respect people and the broader environment in which they operate. This can mean everything from respecting human difference and diversity to careful stewardship of natural resources and courtesy in a customer interaction. It is a function of empathy and critical to creating trust and loyalty by helping people to build and maintain self-esteem. The more a brand can show it does this through its experience the more authentically it will be felt to improve life in the broadest sense.

QualiQuant® analysis

Each Respondent was asked about 7 of the 100 organisations being assessed. This formed the basis of our QualiQuant® analysis to develop a new ranking of the organisations driven by strength of perception across 18 specific attributes within the dimensions of 'Purpose' and 'Experience', as well as other diagnostic factors, including the perceived consumer-brand relationship.

Responses to these two dimensions allowed us to classify the organisations according to one of the following four typologies:

- **"Future brands"** – Organisations that have very strong and balanced perceptions across both the purpose and experience dimensions and can be seen as the most 'future proof'.
- **"Experience brands"** – Organisations whose perception strength is biased towards attributes relating to Personality, Story, Attachment, Consistency, Seamlessness, People, Pleasure, Wellbeing and Respect.
- **"Purpose brands"** – Organisations whose perception strength is biased towards attributes relating to Purpose, Inspiration, Authenticity, Innovation, Thought Leadership, Individuality, Indispensability, Resource Management and Price Premium.
- **"Corporate brands"** – Organisations that have weaker perceptions in both purpose and experience and fall into two further categories of 'indifference' and 'admiration'.

Through the QualiQuant® analysis we were able to identify the current and future drivers, patterns, strengths and weaknesses regarding the different regions and industries – driving our overall findings, industry sector rankings and organisations that the informed global public believe are the 'ones to watch'.

The qualitative responses formed the basis of the sector drivers, the written commentary and word clouds for each leading sector corporation and the broader future drivers of organisational success. The responses to the open-ended questions allowed for the qualitative analysis of more emotional responses.

Based on aggregated 'Top Box' (strongly agree) scores derived from six Brand Strength dimensions, the FutureBrand Matrix shows (see figure 2):

- 22 Future Brands
- 3 Purpose Brands
- 3 Experience Brands
- 22 Admired Corporate Brands
- 50 Corporate Brands

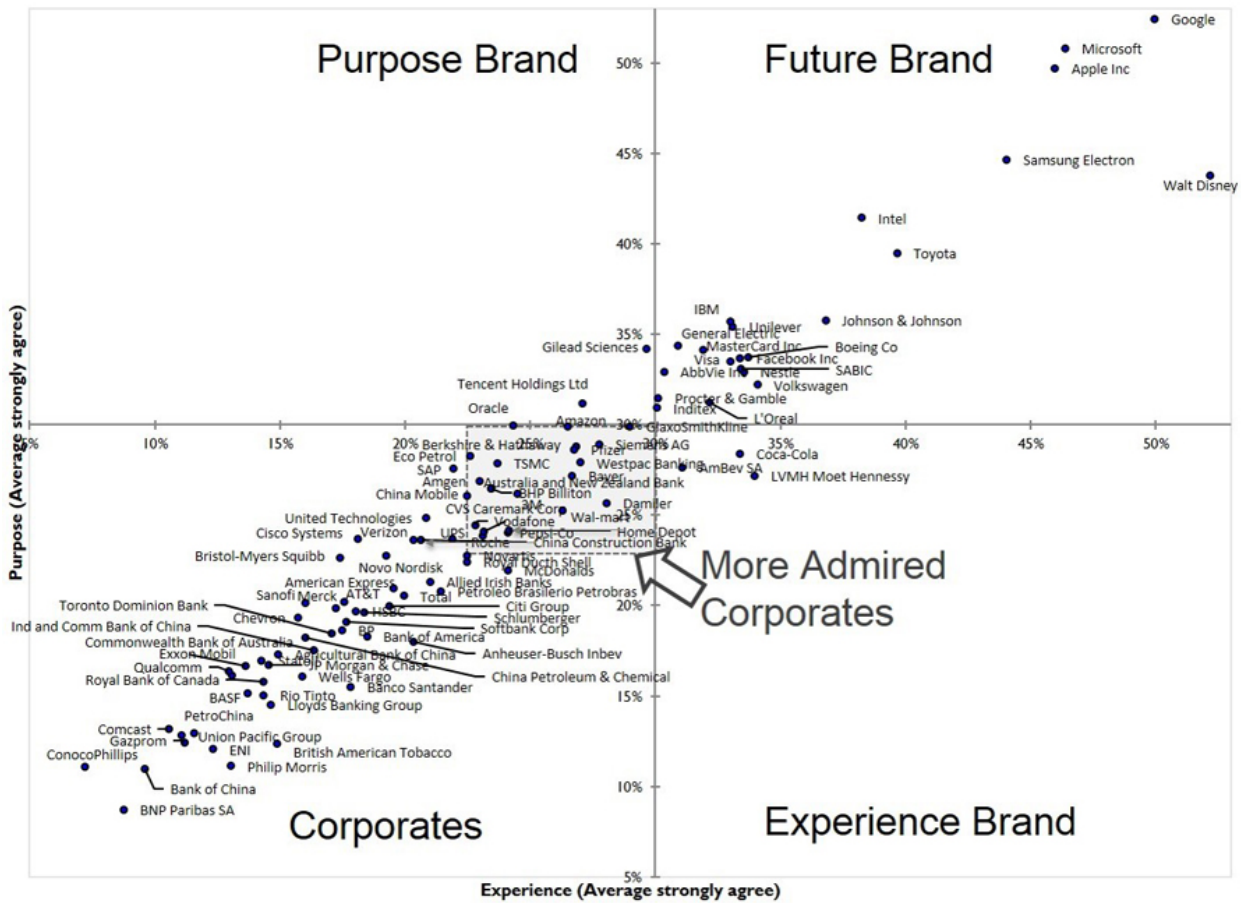


Figure 2: The FutureBrand Matrix

Each organisation was categorised based on the mean scores of the six brand strength dimensions that make up the Experience and Purpose dimensions (Builds a Strong Emotional Connection, Engaging Experience, Makes Lives Better, Has a Clear Vision of the Future, Redefines the Category, and Delivers Sustainable Value). Any score above 30% on both Purpose and Experience dimensions was classified as a future brand. Scores above 22.5% but below 30% were classified as an 'admired corporate brand', anything below 22.5% on either dimension was classified as a 'corporate brand'. 'purpose brands' scored above 30% on Purpose dimensions but below 30% on Experience, and vice versa for 'experience brands'.

The futurebrand index typology

All of the organisations in the Global Top 100 are extraordinarily successful by PwC's Global Market Capitalisation ranking. However, our findings show that whilst most benefit from strong perceptions in some attributes, they often have opportunities to improve the way they are seen in specific areas. We have identified four organisational types based on their scores and degree of balance of perceptions across the dimensions. This helps organisations to understand what levers to pull for greater success today and in the future.

Corporate brands

'Corporate brands' are organisations whose perceptions might be more balanced across the dimensions, but are not

sufficiently strong to qualify as a 'future brand'. These are divided into two further classifications in this study – those organisations that are 'admired' and those organisations towards which the public feel more indifferent. 'Admired corporate brands' are those closest to the top right of the purpose-experience matrix, and therefore the closest to becoming 'future brands'. These include [Amazon.com](https://www.amazon.com), GSK, Berkshire Hathaway, Siemens, Pfizer, Eco Petrol, TSMC, Westpac Banking, Amgen, China Mobile, Bayer, BHP Billiton, ANZ Bank, 3M, Daimler, Walmart, Vodafone, CVS Caremark, Home Depot, PepsiCo, Roche and Novartis. The remaining organisations are not necessarily seen negatively, although our qualitative data points to sector-specific needs for improvement in some areas, but are perhaps felt to be less meaningful or relevant to people. Again, this is not a matter of awareness or negative perceptions, but rather weaker perceptions against the dimensions that drive competitive advantage in our measures.

This can, in some cases, be attributed to particularly weak perceptions in specific attributes. Comcast, for example, is in the bottom five in perceptions of 'attachment' and 'story', and Santander has its weakest perception in the attribute of 'indispensability'. Whereas some organizations like BNP Paribas and ConocoPhillips have weak perception scores more consistently across the bottom five of every attribute.

Purpose brands

'Purpose brands' are organisations whose perceptions are more biased towards 'a strong vision for the future', 'redefining the category' and 'delivering sustainable value'. In this study, these include Gilead Sciences, Oracle and Tencent Holdings. These are organisations where brand choice arguably depends on more rational factors. Gilead scored well on innovative use of science but not so well on personality strength; Oracle scored well on innovation, purpose and authenticity but poorly on personality and pleasure; Tencent Holdings scored well on authenticity and distinctiveness but poorly on having a strong story as an organisation. These organisations would benefit from strengthening perceptions on emotional elements in the 'experience' dimensions to drive further competitive advantage.

Experience brands

'Experience brands' are organizations whose perceptions are more biased towards 'building strong emotional connections, 'an engaging experience at every touch point' and 'making peoples' lives better'. In this study, these include Coca-Cola, LVMH Moët Hennessy and AmBev SA. Conversely, these organizations would benefit from strengthening perceptions in the 'purpose' dimensions to drive further competitive advantage. These are consumer brands for which the brand experience drives emotional attachment and choice. Coca-Cola was perceived to have a great story and deliver pleasure but has weak perceptions in the attributes of respect and acting ethically; LVMH Moët Hennessy has very strong pleasure perceptions, but like Coke was perceived more weakly on respect and acting ethically; AmBev SA was also strong on perceptions of story, personality, pleasure but had weaker perceptions around ethics and respect. These organisations must be seen to 'walk the talk' on ethics and strengthen perceptions driving respect if they want to be future proof by these measures.

Future brands

A 'future brand' is an organisation that is more likely to succeed in the future, not just one that is strong now. This is because it perfectly balances strong perceptions of its purpose in the world with the experience it delivers. In terms of experience, it ensures that it always has a strong emotional connection, delivers consistency across every touch point and focuses on improving peoples' lives. In terms of purpose, it is seen to have a strong vision for the future, to drive and redefine its category and deliver sustainable business value in everything from resource management to price differentiation (see figure 3). The

balance of these two elements is vital because it defines the way we make decisions in the 21st century: avoiding a compromise between what we want now and what we need later.

It means fast cars with zero emissions, profitability with ethics, taste and health, and shareholder value with positive societal impact. This means that a future brand is more 'future proof' than counterparts that only provide immediate gratification, or fail to connect their beliefs with their actions in the world.

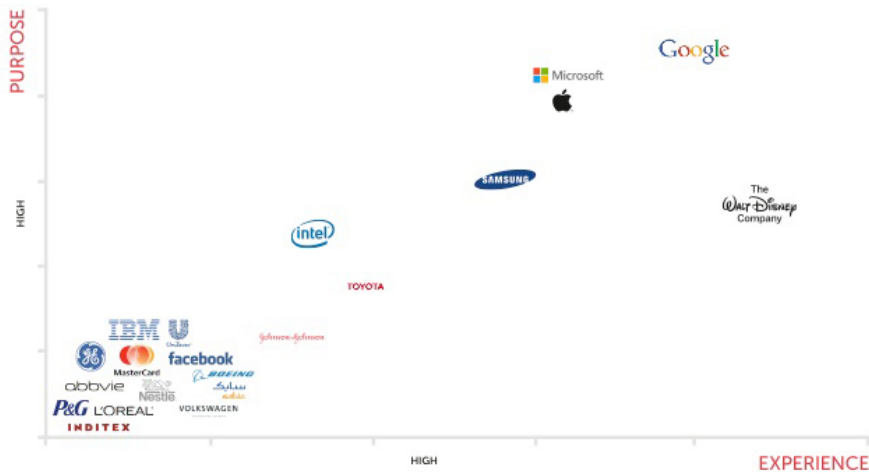
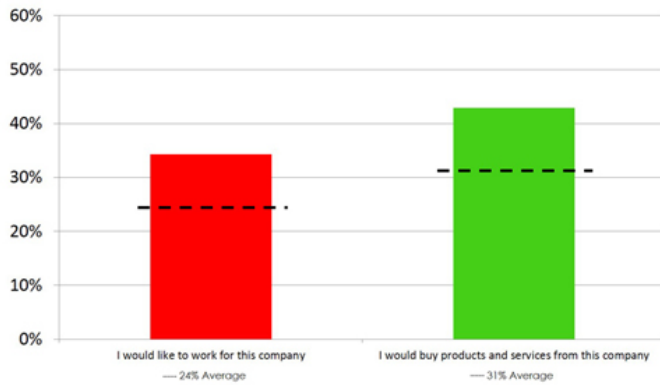


Figure 3. The 22 identified future brands

This matters for organisations because when people rate an organisation in the Global Top 100 as a 'future brand', 75% strongly agree that they would buy products and services from them (see figure 4), 68% strongly agree that the organisation commands a price premium, and nearly two thirds strongly agree that they would work for them. And these preferences are significantly above the average performance across our study. So being a future brand is a driver of choice when it comes to purchase decisions, paying a premium and selecting an employer. For example, nearly half of all those surveyed say they would like to work for Walt Disney Corporation and Google (against an average of 24%), and 48% of our respondents say they would buy products and services from Toyota (against an average of 31%). This is compared to organisations with weaker perceptions against our dimensions like Walmart, McDonald's, Shell and AT&T that have below average appeal to our respondents as places to work.

'Future brands' Work for & Would Buy Products/Services



'Corporate brands' Work for & Would Buy Products/Services

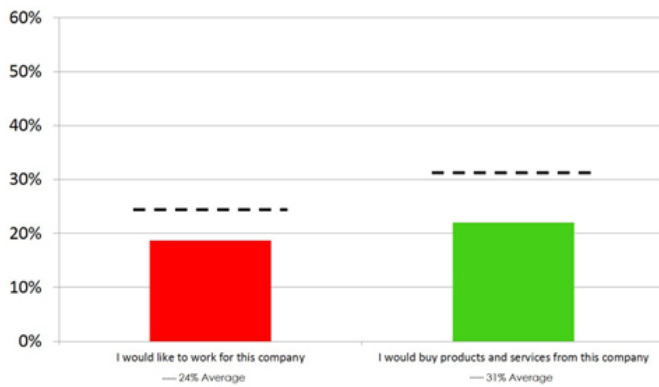


Figure 4: Would work for and buy products from - 'Future Brands' vs. 'Corporate Brands'

There are a series of key drivers of a 'future brand' – things that stand out as major differentiators between organisations with the strongest and weakest perceptions in our research. These most significantly relate to the attributes of thought leadership, innovation and authenticity – vital attributes of 'purpose'.

Organisations with strong perceptions of thought leadership are seen to be driven by clear ideas and unafraid to express clear views about their category, market or the broader world. They take a position and defend it with consistency and evidence. They want to inform what we think and how the world understands what they offer, rather than allowing other people to define it for them.

Innovation is best understood as providing new things that are useful. This means the corporation is seen to go beyond change or novelty for its own sake, and instead focus on inventing products, services or experiences that are genuinely useful. Being known for this kind of innovation means that an organisation focuses on adapting to the changing needs of its customers, consumers or market, rather than incrementally improving against its competition, and has more chance of shaping the future of its category as a result.

And finally, when it comes to authenticity, organisations can have a lofty vision, but that vision needs to be seen to connect

genuinely to its primary task or the qualities of its products and services. We need to see the relationship between the future an organisation wants to create and what it can legitimately deliver today, not least so that we can realistically participate in creating that future for ourselves through consumption, investment or employment.

Drivers of future brand status

There was a high degree of correlation between all 18 Purpose and Experience attributes. The most important drivers of a future brand, as indicated by our respondents' extent of strong agreement for all those who see brands as future brands, are 'Moving Ahead in the Future' and 'Moving Ahead Today', which have an 85% and 82% strong agreement rate respectively. 'Thought Leadership', 'Innovation', 'Authenticity', and 'Purpose' are the next most important drivers (all fall into the 'Purpose' dimension), all scoring a 76% strong agreement rate. This shows that the most important questions are those concerning whether a brand is moving ahead or not. The next most important drivers are all within the 'Experience' dimension – 'Consistency', 'Attachment/Trust', 'People', and 'Pleasure'.

Analysis of average top box scores for all future brands compared to all 'admired corporate brands' and 'corporate brands' shows three significant points.

1. Future brands enjoy a much more Passionate Relationship with customers and are distinguished from admired corporate brands in order of importance on:

- giving more pleasure to their customers
- having more of a story
- being able to command a higher price premium
- having a stronger personality

Overall, future brands show a much stronger emotional connection with their customers.

2. Admired corporate brands show a high level of admiration but do not generate as much passion as future brands. They are distinguished from corporate brands in order of importance on:

- being more likely to be rated as moving ahead today
- creating products and services that are genuinely useful
- having stronger ideas and principle
- contributing more to peoples wellbeing
- generating more trust
- delivering a more consistent experience

Overall, admired corporate brands have strong rational credentials.

3. Corporate brands show a high level of indifference and are lower on passion and admiration than future brands and admired corporate brands. They are distinguished from admired corporate brands by being lower on most measures.

Corporate brands are lowest overall in:

- acting ethically to maintain a sustainable environment
- contributing to peoples wellbeing

-
- moving head today or tomorrow
 - respecting and enhancing people's lives
 - people depending on the corporation
 - creating products and services that are genuinely useful
 - whatever the point of contact meeting people's needs every time

Overall, corporate brands have weak rational and emotional connections.

These results highlight the biggest differences between future brands and admired corporate brands, and between admired corporate brands and corporate brands. Whilst the most important drivers of future brand Status are Purpose attributes, future brands also exhibit high levels of Experience attributes (particularly 'Story' and 'Pleasure') in comparison with admired corporate brands and corporate brands.

The reason that there are few purpose brands and experience brands is that many organisations tend to score equally as well on both dimensions. However, there are organisations with stronger experiential elements, such as Walt Disney, Coca-Cola, LVMH Moët Hennessy, and organisations with stronger Purpose elements, such as Gilead Sciences, Tencent Holdings and Oracle.

Diagnostic analysis of the 18 attributes measured was possible because each corporation had different strengths and weaknesses within these attributes, allowing the organisations to determine in each case which dimensions need to be worked on to strengthen their relationship with their consumers.

Key findings

1. Financial value and past performance are no guarantee of future brand strength

The first and most striking finding from our research is that a high market capitalisation does not always correlate with strong perceptions across our dimensions. In fact, some of the largest organisations by market capitalization have some of the weakest perceptions, and vice versa. For example, Exxon Mobil is currently ranked at number two by market capitalization, but is at 89th position in the FutureBrand Index. Less dramatic but significant ranking differences include JP Morgan and PetroChina. Alternatively, there are some organizations whose strength of perception is significantly higher than their financial strength, led by Walt Disney but also including Intel, Sabic, L'Oreal and Abbvie which benefits from the largest ranking differential of 80 places.

Some of these differences are perhaps reflective of broader sector challenges, for example the rankings for JP Morgan and PetroChina are typical of the kinds of differences we see in the financial and oil and gas industries as a whole. However, there is sufficient diversity in the top and bottom performers to indicate that some organizations are doing a better job of managing perception than others.

2. Being global makes a difference to brand strength

Regardless of financial strength, organisations that are better known in individual markets, or which depend on fewer markets for their commercial success, tend to suffer from weaker perceptions in our study. And the best performers tend to be genuinely global, including most of the top 20 in our ranking. Of those organizations, 14 are American international organisations, which shows that the USA still dominates the global corporate stage in terms of strength of perception, although

being American on its own does not guarantee a high ranking. Wells Fargo is 9th by market capitalisation globally, but drops to 81st position in our public perception rankings, and Bank of America is 71st. Similarly, perception strength does not seem to be restricted to specific sectors, with representation across every category in the top twenty except telecommunications, suggesting that global reach is as much a driver of perception strength as membership of a particular industry.

3. The value-perception gap for brands varies by sector

Whilst the top 20 organizations tend to be global, and are distributed across the industries, it is clear that the value-perception gap is different by sector across the top 100, and some sectors perform more strongly than others. For example, financial and oil and gas organisations tend to dominate the top 30% by market capitalisation, but largely appear in the bottom 30% by strength of perception. 7 of the bottom 20 organisations in the FutureBrand Index are banks, and 6 are in Oil and Gas, and two of the bottom ten are tobacco organisations, despite being in the top two thirds by capitalisation. Conversely, technology and consumer services and goods organisations dominate the FutureBrand Index top 10 and the market capitalization rankings, with a particular focus on consumer electronics, FMCG, software and entertainment.

This reflects a broader reputational challenge for certain sectors as a whole – particularly banking in the wake of the global financial crisis – that seems to have a correlation to perceptions of individual organisations. It is as if people are unable to separate organisational perception from sector perception. There are some exceptions to this rule, including Eco Petrol in the Oil and Gas that is 57 places higher in the Index ranking than its financial position. So whilst it is certainly possible, it would appear that few organisations have managed to challenge or break out of their category positioning to stand for something new in the eyes of the public – a possible opportunity for organisations keen to differentiate, or that have a genuine difference they are not being given credit for.

4. Brand awareness is not enough to drive strong perceptions

A further striking finding of the research is that some of the most famous household name organisations that share their corporate name with their most famous product are outperformed in strength of perception by organisations with significantly lower awareness. For example, whilst Coca-Cola (22), PepsiCo (47), and McDonalds (51) all enjoy a higher ranking in the FutureBrand Index than their market capitalisation position, they are still lower than more niche or anonymous organisations without the same high levels of public awareness, like Sabic (in 13th position) in Basic Materials, and Gilead and Abbvie (respectively 19th and 20th overall) in the Healthcare sector.

Other organizations that have significant public awareness through global advertising and reach like HSBC, or exposure through international events and longevity like BP, enjoy a lower strength of perception ranking in our research than their market capitalisation position. This perhaps correlates again to negative or weaker perceptions of their sector overall, or individual reputational issues, but it presumably cannot be reduced to these factors alone given the often difficult reputation challenges faced by pharmaceutical organisations and their relatively strong performance in the Index overall. It also perhaps reflects a broader public preoccupation with consumer electronics and internet services organizations that have come to dominate the global discourse around consumption in the last decade, perhaps overshadowing their still popular but less relevant counterparts in food and beverage – hinting that Google and Apple are the Coca-Cola and McDonald's of the 21st century.

5. Chinese organisations and brands are not yet future proof

The only two Chinese organisations in the top half of the FutureBrand Index ranking are Tencent (28th) and China Mobile (45th), with four of the remaining five falling into the bottom quartile, including ICBC (78th) and PetroChina (98th), which are 55 and 75 positions lower than in their market capitalisation ranking respectively. Unlike the majority of American International organisations that have genuinely global reach, it is arguable that whilst the largest Chinese organizations are undoubtedly financially strong – reflecting China's vast consumer market, growth and economic position – they do not yet have strong global perceptions. As a result, they are not as future proof, or as insulated by strong reputation, as their East Asian counterparts like Samsung and Toyota that genuinely address global markets and sell products and services to customers worldwide. Toyota is a good example of how brand strength can provide some insulation against commercial difficulties, given its position in the top 10 by perception at a time of global product recalls.

However, whilst this might be true now, it is likely that as Chinese organizations expand into new markets across Asia and beyond, they will begin to benefit from the same awareness as their better-established global counterparts. We see this in our 'ones to watch' forecasts with two of the eight organisations seen to be 'moving forward' in three years' time being Chinese. The key will be how well these organisations manage perception and attend to the balance of purpose and experience, to ensure they are not just financially strong and secure across markets, but that they are the kind of organisations people want to work for, and for whose products and services they are prepared to pay a premium.

Future trends

We also did a Future Ranking (Future Top 20) based upon where respondents see the organisations as being in 3 years' time i.e. will they be moving ahead? What we have been discussing up to now is based upon where respondents see the organisations as being today. The organisations featured in the Future Top 20 cover nine sectors (Technology, Consumer Services, HealthCare, Consumer Goods, Industrials, Oil & Gas, Basic Materials, Financials, and Telecommunications), highlighting Future Trends by sector, and the drivers that are felt to be key for the success of those organisations. For example, within the technology sector, Google, Apple, Intel, Microsoft, Tencent Holdings, Oracle, and TSMC were all in the Future Top 20. Key drivers of future potential in Technology which are already exhibited by these brands as Future Brands include being vital to everyday life, being wanted and aspirational, being aware of emerging trends and acting immediately on these trends, offering excitement and variety, and forming strong consumer relationships, among others. In the Healthcare sector, represented by Pfizer and GlaxoSmithKline, it is important to be at the forefront of medical and scientific innovation, improve quality of life, and be trustworthy and ethical, among others.

This gives us the ability to breakdown by sector the key drivers of future potential and to compare them with the current performance of an organisation within our analytic framework.

Conclusions

Evaluating organisations on Purpose and Experience dimensions has proved to be effective in defining the emotional value of the Global Top 100 organisations by market capitalisation. Brand strength has proved to be quite different from market capitalisation and is arguably a better predictor of future potential. Individual organisations rate quite differently on individual attributes, as one might expect. However, future brands have strong ratings on both the Purpose and Experience Dimensions.

Amongst our 22 identified Future Brands we see Technology, Consumer facing organisations and Entertainment organisations. We see from the drivers that the Purpose dimension is slightly more important. A future brand should have strong Ideas and Principles, be Innovative, have Credibility & Authenticity and should have a Clear Sense of the Future. The

Experience dimension is also critical as a future brand should deliver Consistency, generate Trust, have Quality People, and provide Pleasure.

In different sectors we see the balance between the Purpose and Experience dimensions being slightly different. For Consumer-facing organisations, Pharmaceuticals, Telecommunications and Technology, we see Experience (i.e. Excitement, Pleasure, Well Being and Quality of Life) being relatively more important. For Industrial, Financial, Basic Materials, and Oil and Gas, we see the Purpose dimension being more predominant. This means they should be Forward Thinking, Explorative, Investing in New Technology, being Trusted and Respected, as well as being Environmental and Sustainable. Healthcare appears to need to balance Innovation (i.e. being the Pioneers in medical & scientific research, Quality of Life and sense of Wellbeing) with being Trustworthy and Ethical. The Ethical dimension is felt to be particularly important for Banks and Oil and Gas, and they are felt not to deliver on this presently. Additionally, our analysis shows that Engaging Experience, Simplicity and Ease of Use, are especially important for Technology and Consumer Services.

Overall, the results of our QualiQuant® analysis of PwC's Global Top 100 by market capitalisation for the FutureBrand Index show that a 'future brand' needs to provide a balance between strong Purpose and Experience attributes and that a strong emotional connection can result in a brand being Future Proof.

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