

How do brands become partners for life? Customer Brand Relationship (CBR)

The issue of brand management and evaluation has become ever more important and essential for brand research over the last few decades. Companies use brand research to help evaluate *WHERE* in the purchasing decision-making process of the consumer (now referred to as the “consumer journey”) their brand is positioned and *WHY*. This knowledge is needed in order to manage brands in a targeted way in future. On the one hand, this means setting the brand apart from the competition, and on the other, meeting the ideals of **consumers**, convincing them to continue along the consumer journey. In light of this, it is not surprising that a number of approaches aim to explain why a brand has been successful in reaching consumers at a particular stage in the consumer journey, while others have not yet been able to progress further or are in a critical position. In short, what determines brand strength and the appeal of different brands in the market and therefore validates the position it assumes in the specific decision-making process? In this context, different emotional attitudes play a key role.

The research approach for brand evaluation has been undergoing constant development for many years, often influenced by the latest scientific findings. Attempting to explain the *WHERE* was the starting point: **purchasing intention** is the typical basis for approaches to brand strength measurement. It is described as a mental state which reflects the intent of customers to buy a set volume of a specific brands goods over a particular period of time (Howard, 1994) or as a *subjective prediction of future behavior* (Blackwell/Minard/Engel, 2001). However, this approach is one dimensional because it captures propensity to buy at a specific moment in the consumer journey and (according to the definition) does not explicitly take account of the key subjective and emotional aspects.

One further development linked to one dimensionality is the decision-making **funnel** (purchasing process), which builds on the AIDA model in communication research. The objective of this approach is to define several differentiated tiers (from brand awareness to loyal customers) beyond purchasing intention and therefore provide marketing departments with relevant information on brand success along the entire customer journey. The funnel fulfills many of the practical requirements of marketing and brand management for measuring success, but it is necessary to take into account that it assumes the relationship develops in a targeted, linear fashion and does not explain emotional processes which also influence the development of the consumer journey (e. g. familiarity → contemplation) and also cannot portray the heterogeneity of consumers within the individual funnel tiers. Intrinsically, the funnel approach assumes that new customers buying a brand have the same view of it as earlier loyal customers. Consequently, it is supposed that both target groups within a funnel tier have homogenous needs and should therefore be approached in the same way. Critics of the funnel approach oppose this and consider it necessary to include supplementary information (e.g. rational and emotional images such as predilection or identification) in the brand evaluation. In parallel to the evaluation of *WHERE* (purchasing intention, funnel), research approaches were therefore also developed to explain the *WHY* of preferences. For these methods that apportion brand appeal, there was always a strong focus on validating and explaining real purchasing behavior.

The appeal and attraction of a brand is principally assessed using a multi-attribute scale. In combination with the definition of an attitude, different emotional, rational and behavior-oriented aspects were operationalized through one or more statements. Specifically, the importance of the **emotional aspect** for the differentiation between interchangeable brand products in terms of function was recognized. Although the developed scales and models were validated several times, they are fundamentally only suitable for detailed measurement of emotional aspects to a limited extent. This is above all due to the use of rating scales which include a rational evaluation process of respondents. However, this rationalization is at odds with the fundamental character of emotions: 1) emotions are generally subconscious, 2) they are not measured at the time they are experienced (ex-post rationalization) and 3) grading them is artificial. It therefore remains that the standard measurement process as part of quantitative brand research will struggle to offer an effective method for evaluating the emotional context of brand selection with regard to intensity and quality.

It was considered innovative when the psychologically-based **implicit methodologies** for capturing the “subconscious” brand strength were developed. Compared to classic surveys, the advantage of this approach is that it implicitly captures emotional and partially unconscious aspects, for example, through multi-attribute scales. However, investigations have shown that the predictive validity of implicit methodologies is lower than for other methods

(BPI®, buying power index). Furthermore, the implicit association test (IAT) is complex by comparison, its practical relevance is low, it takes time that is unjustifiable for quantitative surveys and the output for the time involved is relatively low.

In conclusion, there has not been an existing concept to date that can meet all requirements for measuring brand strength. In our view, the approach developed by Susan Fournier (Boston University) for measuring brand relationships offers a promising alternative solution. Consequently, a brand strengthening concept was developed on the basis of **brand relationships**: Customer Brand Relationshipship.

Because relationships ...

- 1) ... are formed through experiences with a brand, which means they explain the *WHERE* and at the same time provide information about the *WHY*. They are **hybrid** because they are qualitative in nature but can be applied quantitatively.
- 2) ... are **complex** and can also change in a non-linear way between individual phases of the consumer journey
- 3) ... **operationalize** brand strength from consumers' perspective: according to Prof. Fournier, the strength and intensity of relationships should be measured using qualitative research concepts.

The topic of brand relationships has already been addressed as part of the development of the marketing concept. Several decades ago, the idea of establishing longer-lasting *relationships* between customers and companies in a broader sense already replaced the old paradigm of short-term transaction relationships. Since the end of the 20th century, Prof. Susan Fournier, one of the world's leading scientists in the field of brand management, has been focusing on researching the development of relationship types between consumers and brands. Her work is based on the idea that consumers' relationships with brands develop in the same way as relationships between people. Consumer-brand relationships are similarly diverse, emotionally rooted and above all, complex. Experiences and actions (e.g. changes in living circumstances/environment, negative/positive product experiences) cause the type and complexity of consumers relationships with a brand to alter and of course, the brand does not play a static, passive role, but is also trying in a targeted way to improve the relationship as an active, participating partner (e.g. altered brand impact, sale policy tools). Based on this research, it should be possible to develop a pragmatic approach which can be used in quantitative investigations for measuring brand relationships. For this reason, GfK and Prof. Fournier joined forces to develop the Customer Brand Relationship (CBR) approach. CBR is based on the use of metaphors: a firmly established **qualitative research approach** which makes it possible to bring subconscious experiences with brands and emotions to the surface. The **metaphors** are **interpersonal human relationships**. The obvious benefit is that metaphors are self-contained systems, they are complete and the connection between them is coherent. It is less meaningful to relate other metaphors, such as "hitting the jackpot" and "a cat with nine lives", to consumers and brands.

DEVELOPMENT

In collaboration with Prof. Fournier, a cross-cultural concept of a **three-tier research project** was developed as a basis. The result is a comprehensive system for portraying the diverse consumer-brand relationship and its progression.

1: Qualitative phase: development of a relationship characteristics and types universe

To realize the work of Prof. Fournier, a cross-cultural, groundbreaking research project for the development of an all-encompassing system for customer-brand relationships was launched. First, a total of 53 relationship models were identified (*e.g. marriage partner, colleague, love-hate relationship, one night stand, complete stranger*), aimed at covering the entire range of customer-brand relationships. For further characterization of the 53 relationship types, 48 relationship qualities were also defined, again based on the research of Prof. Fournier (*e.g. emotional – rational, flexible – inflexible, warm – cold*).

2: Quantitative phase I: allocation of relationship qualities to relationship types

In an initial quantitative phase, respondents in three cultural circles (approximately 1,000 respondents each in China, Spain and the USA) were shown the 53 relationship models together with the 48 qualities to ascertain whether they were similar with regard to their contextual meaning and that there were no major cultural disparities. Essentially, this was one of the key research steps in the development of CBR: is there a uniform understanding of relationships between different cultures? Respondents were asked to assign relationship qualities to each

relationship type by means of semantic differentials. It emerged that, aside from a few exceptions, there was a uniform cross-cultural understanding of relationship types (exceptions: guru, secret affair, love-hate relationship). This therefore laid the foundations for a standardized, cross-cultural relationship universe. In addition, clustering showed that there was some overlap of qualities attributed to relationship types, connecting them through similar emotional processes (e.g. neighboring passenger on plane and casual acquaintances) and therefore rendering these redundant. Based on this information, it was possible to carry out the first round of reducing the original 53 relationship types.

3: Quantitative phase II: allocation of relationship qualities to brands

In a further quantitative survey, respondents from different cultural circles were asked to evaluate a number of brand products using the relationship types. For this, six brands in eleven categories were identified each time. Alongside the previous countries of China, Spain and the USA, the survey was also carried out in Germany (approx. 1,200 respondents per country). The results showed that some of the 53 relationship types were very often used to describe a brand relationship, while others were not often used. It was therefore possible to further reduce the relationship types.

4: Result

The result of these qualitative and quantitative surveys on more than 7,000 respondents in four countries is a reduced set of 27 relationship types. They do not overlap and their marketing relevance has also been ascertained.

In order to further reduce the complexity for practical application, one category of uniform relationship segments (generally between five and eight segments) was extracted from the classification of 27 relationship types to the brands. The objective of this segmentation was to facilitate an insight into specific relationship patterns of each category: which relationship types are relevant for a specific category and which are not used to describe the consumer-brand relationship? Which general relationship types are there? Different surveys were also carried out for a range of brands in various industries to determine how valid the findings of this research approach are with regard to brand success (criteria validity). The results showed a high correlation between brand relationships and real market success data, such as market share (panel data) and price premiums. In addition, the various relationship types provide differentiation: relationship types that generate high market share are different to those which result in a high price premium.