

SIS Brand Health, Brand Equity and Customer Loyalty

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Table of Contents

I. SIS Approach to Brand Research & Customer Loyalty

II. SIS Offerings

- *Brand Equity, Brand Loyalty, Customer Experience and Tracking*
- *Market Segmentation Analytical Tools*
- *Customer Loyalty and Customer Reputation*
- *Product and New Product Development*

III. SIS Methodology

IV. SIS Country Coverage

V. SIS Advanced Analytics

VI. SIS Case Studies



SIS Approach to Brand Research & Customer Loyalty

SIS APPROACH TO BRAND EQUITY

After 30 years of experience at SIS, it is our belief that Brand Research and Consumer Loyalty is driven by the consumers needs and their perception of the product vis-à vis competitors. To this end, our experience in both Ongoing data collection and tracking and in the application of advanced analytics to the tracking data has enabled us to deliver valuable insights to our clients around the world.

Market Intelligence

Our first step is to conduct “market or environmental intelligence,” which will develop knowledge of the marketplace and the competitive landscape, composed of the following factors:

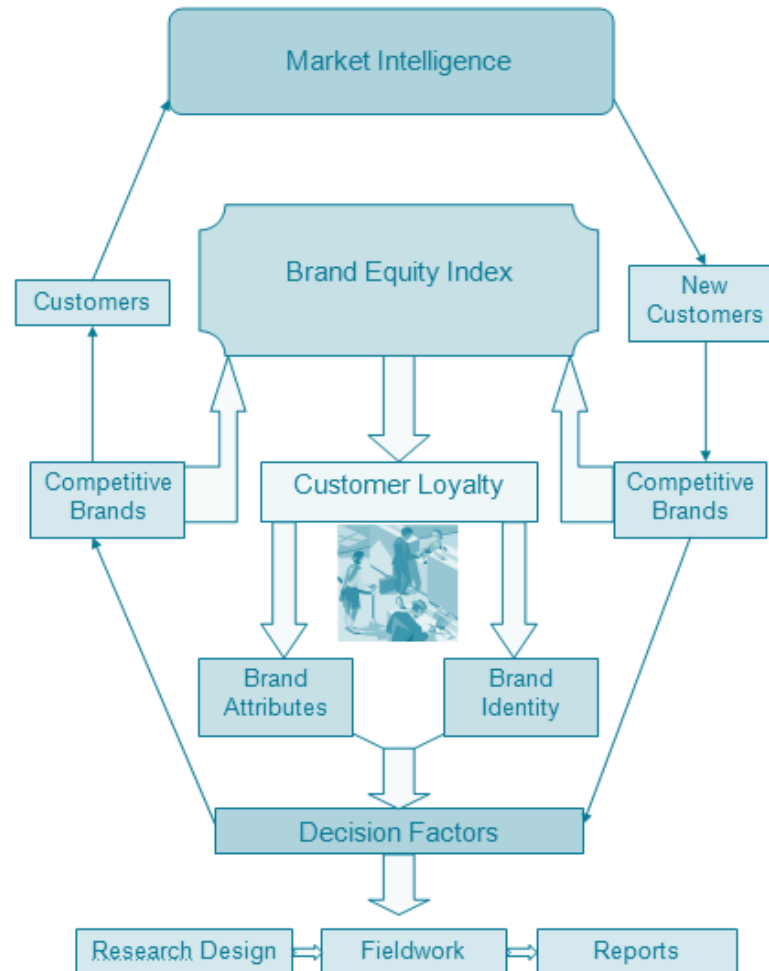
- Overview of market structure [global, regional, local markets]
- Overview of competitors, products, technology
- Detailed analysis of competitive brands
- Overview of channels of distribution
- Social, political, and legal issues
- Consumer demand
- Price elasticity of the market

Our research methodology to develop environmental intelligence will include:

- Primary research of “key opinion leaders [KOLS].”
- Secondary or Desk research

Brand Equity Process/Model TM

SIS has a brand equity process model that integrates market intelligence, customer loyalty, competitive brands in addition to the measurement of brand attributes and brand identity. Our integrated model ensures that branding tracking and measurement systems are not executed in a “vacuum” and incorporate this external environmental intelligence.



Recommended Research Design

Based on the learning or “intelligence” gathered from the environmental intelligence phase, we will develop a recommended research design for the brand equity project. Our recommended research design will be the integration of the results from our market intelligence findings and our recommended quantitative research methods.

Quantitative Research

SIS International Research will conduct the quantitative research utilizing either CATI or Online Research methodology, delivering the highest quality data while using the most cost effective methodology.

Brand Equity Index

From the quantitative research, SIS International Research will then develop a brand equity index model for your project which will apply measurement techniques to the following factors:

- Customer Loyalty
- Brand Attributes
- Brand Identity

Customer Loyalty

Our methods in the measurement and analysis of customer loyalty will allow you to determine the following:

- To what degree will your current customers be persuaded to switch brands?
- What competitive brands could put your brands at risk?
- What are these risk factors in your brand?
- What are the “loyalty” or “retention” factors in your brands?
- What are the price, quality, and service “trade off” factors in your brands?

Creating Brand Vitality – 5 Drivers

Given our experience, there are 5 drivers of creating brand vitality.; the Emotional Connection, Relevant Differentiation, Value, Awareness and Accessibility. Each of these drivers can be measured and tracked over a period of time to determine the “health” of the brand.

The leading edge indicator of future market share and profitability.

Is your brand unique or different in customer-relevant, customer-compelling ways?

Relevant Differentiation
– proof points
– reasons to believe

Emotional Connection

Does your brand connect with people on an emotional level?

Value

Does your brand deliver a good value for the price?

Awareness

Accessibility

Do customers and potential customers perceive your brand to be convenient?

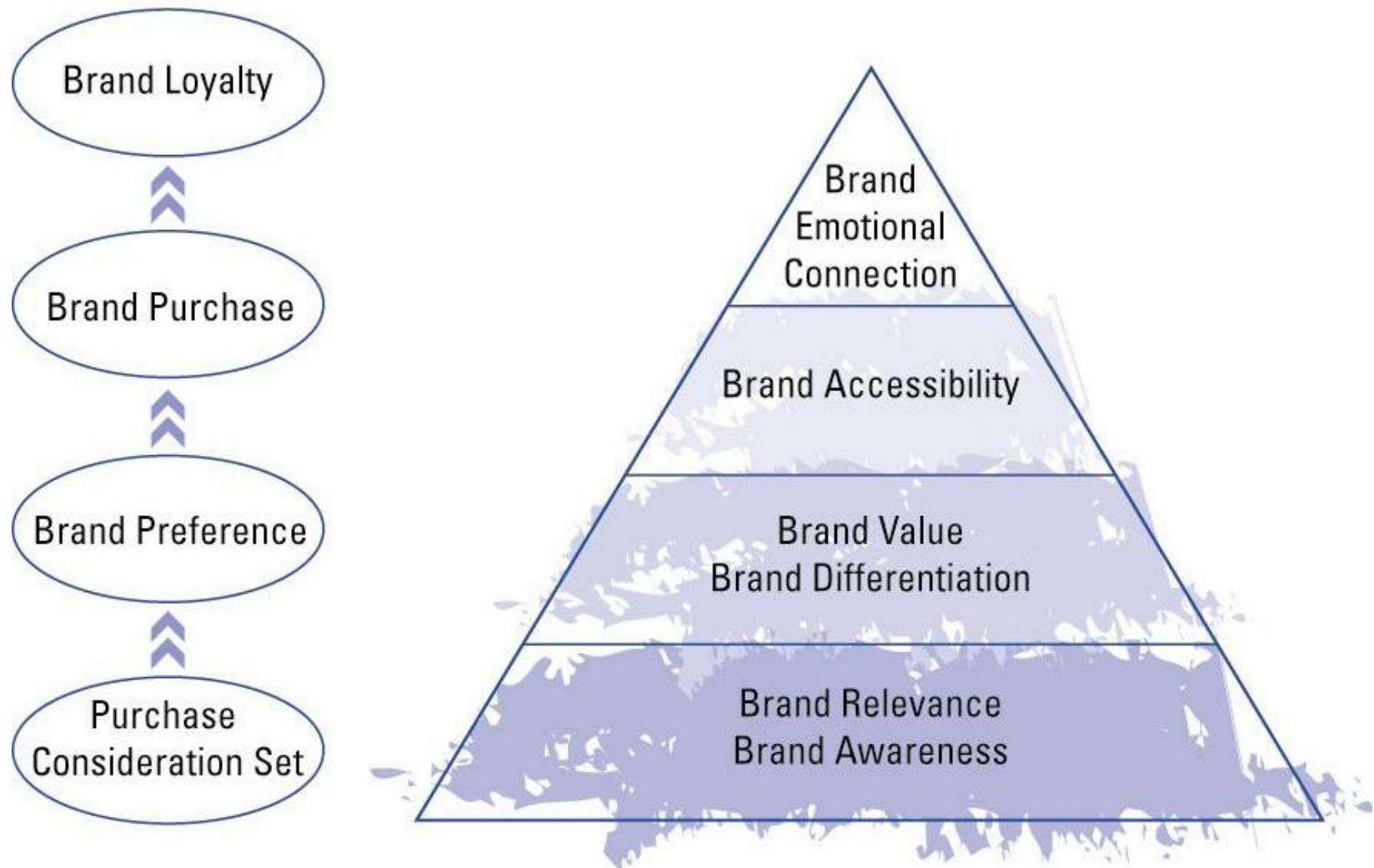
The cornerstone of strong brands.

Are your target customers and key stakeholders aware of your brand?

Is it the first one that comes to their minds?

HIERARCHY OF EFFECTS – BRAND VITALITY BUILDING BLOCKS

Brand loyalty is derived from a series of brand vitality building blocks. The first is the factors that influence purchasing the brand. This is followed by brand preference and brand purchase. Brand loyalty is the final stage which is the measurement of repeat purchases of a brand. These brand vitality building blocks can be measured by both qualitative and quantitative research methods.



SIS Brand Research Offerings



SIS Branding & Customer Loyalty Research

BRAND EQUITY, BRAND LOYALTY, CUSTOMER EXPERIENCE AND TRACKING

SIS applies advanced analytics to our brand tracking data collection. Our deliverables deliver actionable information for brand decision making

SIS Research Methodology

- Qualitative research methods for Brand Equity, Brand Loyalty, Consumer Experience and Tracking (traditional Focus groups, online focus groups, social media. In-depth interviews, street intercepts, etc.)
- Quantitative tracking methods for Brand Equity, Brand Loyalty, Consumer Experience and Tracking (e.g. Quantitative surveys, CATI, CAWI, CAPI, Central Location Tests, Street Intercepts, etc.)

SIS Advanced Analytics and Reporting

- SIS integrates the results from our quantitative and qualitative surveys for brand equity, brand loyalty, consumer experience and tracking for delivery of analysis for attitudes and usage surveys, consumer and non consumer choke surveys, new product testing, in addition to brand positioning testing into our ongoing tracking modules and systems for your Brand Equity, Brand Loyalty, Consumer Experience and Tracking surveys
- SIS also integrates the results from our qualitative studies into our Brand Equity, Brand Loyalty, Consumer Experience tracking systems
- SIS also has a competitive and market intelligence and strategy consulting group to take the results from our Brand Equity, Brand Loyalty, Consumer Experience and Tracking quantitative and qualitative projects and to integrate this information into a Strategic Analysis

SIS Deliverables

- The deliverables include a Brand Equity, Brand Loyalty, Consumer Experience and Tracking Road Map for your organization and recommendations for improvement in branding, packaging, new product development and recommendations for your brand landscape analysis, brand positioning and marketing strategy

For examples of similar case studies, please contact SIS International Research

Market Segmentation

Market segmentation and brand tracking go “hand and hand.” It is important to understand the segments of the target markets mapped and analyzed against the brand. This is important to be able to position the brand.

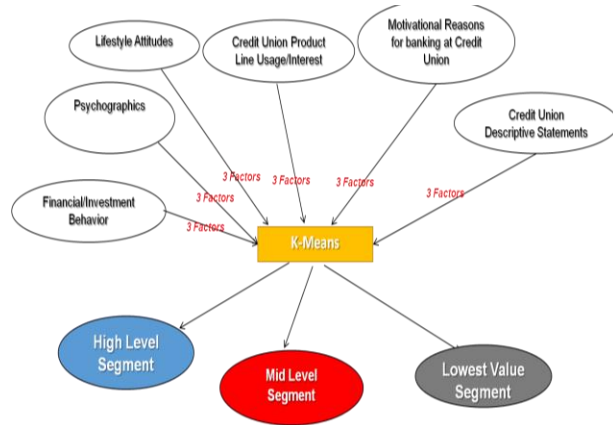
SIS Market Segmentation Tools:

- SIS understands the customer and their lifestyles, their product preferences, their behavior, their met and their unmet needs
- SIS identifies the opportunities for growth
- SIS recommends innovative design, delivery and channels for your products
- SIS can also integrate competitive intelligence and local environmental intelligence into your analysis
- SIS delivers advanced analytics for your market segmentation tracking needs

SIS Sample Market Segmentation Analytical Tools

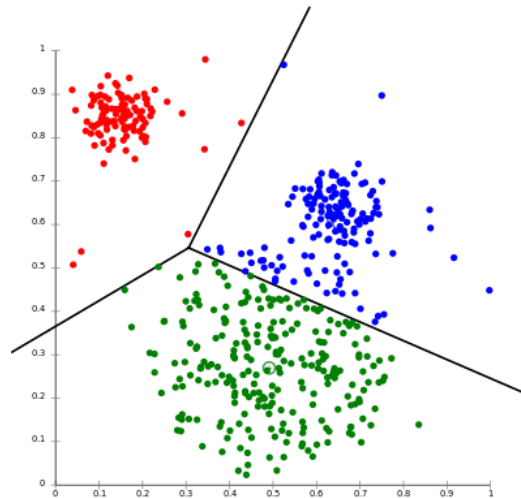
Tandem Segmentation

The Tandem method is to conduct a factor analysis. The technique is post hoc (data collected from a consumer survey) Covers the usual suspects of frequency and financial behavior. Combines many different dimensions of brand consumption, and blends them into specific and informative characterizations.



K Means Cluster Analysis

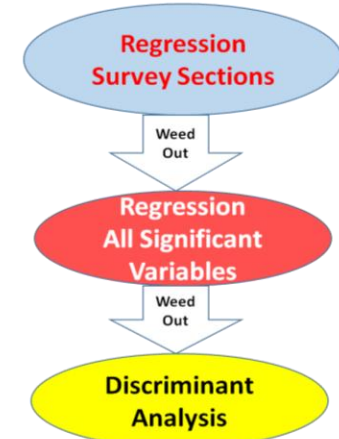
K-means cluster analysis aims to partition observations into x-number of clusters in which each observation belongs to the cluster with the nearest mean, serving as a framework of the cluster.



Discriminant Analysis

Discriminant Analysis is used in statistics and pattern recognition to find linear combinations of features which characterizes or separates two or more classes of objects or events.

Result is a linear classifier.



CUSTOMER LOYALTY AND CUSTOMER REPUTATION RESEARCH

There are risk factors to brand loyalty as consumers and businesses will switch brands as a result of dissatisfaction with the service and quality of the product or service. Brand Switching should not be measured in a “vacuum” and should integrate qualitative, quantitative and social media research into this measurement tracking program.

Our methods in the measurement and analysis of customer loyalty will allow the client to determine the following:

- To what degree will your current customers be persuaded to switch brands?
- What competitive brands could put your brands at risk?
- What are these risk factors in your brand?
- What are the “loyalty” or “retention” factors in your brands?
- What are the price, quality, and service “trade off” factors in your brands?

SIS Research Methodology

▪Quantitative research tracking methods for customer loyalty and reputation research via online surveys, CATI, CAWI, CAPI, and other methods.

SIS Advanced Analysis and Reporting

- SIS integrates the results from our quantitative customer loyalty and reputation surveys into advanced analytical models
- SIS also has a competitive and market intelligence and strategy consulting group to take the results from our customer loyalty and reputation projects into a local, regional and global customer loyalty and customer reputation landscape strategic analysis.

SIS Deliverables

The deliverables include a 360-degree consumer loyalty and consumer local, regional and/or global analysis with recommendations and conclusions for repositioning your Consumer Loyalty programs and Corporate Reputation programs.

For examples of similar case studies, please contact SIS International Research

PRODUCT AND NEW PRODUCT CONCEPT DEVELOPMENT

SIS employs traditional and new methods for tracking new product concept innovation and development . SIS employs a wide range of qualitative, ethnographic, new product ideation and advertising of new products.

SIS Research Methodology

- Qualitative research techniques for new product concept testing: Focus Groups
 - SIS Conducts laddering and perceptual maps with Focus Groups
- Ethnography - home test, shop along, experiential "day in the life of the customer"
- New Product Innovation and New Product Ideation Workshops
- Advertising testing of new products

For examples of similar case studies, please contact SIS International Research

SIS Research Methodology

SIS RESEARCH METHODOLOGIES

SIS specializes in data collection and multi-country research for brand measurement and tracking programs. Our data collection capabilities span over 120 countries.

▪**SIS data collection and fieldwork expertise spans North America, Europe, Middle East and Africa, Asia and Latin America.**

▪**SIS has capabilities for data collection in over 120 countries.**

Qualitative Research Methods

- In-depth Interviews
- Dyads, Triads
- Focus Groups
- Online
- Focus Groups
- Street Intercepts
- Telephone

Quantitative Research Methods

- Surveys
- Online Surveys
- Central Location Testing, Street
- Intercepts
- CATI (Computer Assisted Telephone Interviews)
- CAWI (Computer Assisted Web Interviews)
- CAPI (Computed Assisted Personal Interviews)

The background of the slide is a composite image. The upper portion shows a faint, light-colored world map with latitude and longitude lines. The lower portion, separated by a horizontal white band, shows a grayscale photograph of two business professionals, a man and a woman, looking down at a document or tablet. The woman is holding a pen. The overall aesthetic is professional and global.

SIS Country Coverage

Country Coverage

EUROPE

Austria, Vienna
Belgium, Brussels
Bulgaria, Sofia
France, Paris
Czech Republic, Prague
Finland, Helsinki
France, Paris
Germany, Frankfurt
Greece, Athens
Hungary, Budapest
Ireland, Dublin
Italy, Milan
Luxembourg
Netherlands, Amsterdam
Norway, Oslo
Poland, Warsaw
Portugal, Lisbon
Russia, Moscow
Slovenia, Ljubljana
Spain, Madrid
Sweden, Stockholm
Switzerland, Zurich
United Kingdom, London

LATIN AMERICA

Argentina, Buenos Aires
Brazil, Sao Paulo
Chile, Santiago
Colombia, Bogotá
Ecuador, Quito
Mexico, Mexico City
Peru, Lima
Venezuela, Caracas

ASIA

Australia, Sydney
China, Beijing
Hong Kong
India, New Delhi
Indonesia, Jakarta
Japan, Tokyo
Malaysia, Kuala Lumpur
Philippines, Manila
Singapore
South Korea, Seoul
Taiwan, Taipei
Thailand, Bangkok

MIDDLE EAST / AFRICA

Bahrain
Cyprus, Nicosia
Egypt, Cairo
Israel, Tel Aviv , Saudi Arabia,
Riyadh, Jeddah
South Africa, Johannesburg
Turkey, Istanbul

NORTH AMERICA

Canada, Toronto
United States, New York



SIS Advanced Analytics

SIS ADVANCED ANALYTICS & REPORTING

SIS employs the following advanced analytics to brand research. We “work backwards” from the strategic decisions that have to be made from the research and develop the questionnaires and survey instruments on this basis.

Strategic Decisions to be made from SIS International Research Brand Equity Process Model

- What is the inherent strength of your brand in relation to competitive brands in the global, regional, and local market?
- What brands can achieve premium pricing, driven by customer needs and demand?
- What brand attributes support customer loyalty?
- What brand attributes support premium pricing in the market place?
- What brand attributes cause customers to switch brands or support brand “trade off” factors?
- What brands are subject to competitive risk in the marketplace?
- What brands offer the optimum channels of distribution?
- What brands offer new product development opportunities?
- Is there an opportunity for “co-branding” in the marketplace?

Ethnographic Research Methodologies allow for high quality analytics

- Home tests
- Shop along
- Mystery shopping,
- “Day in the life of the customers”
- Observational Fieldwork Research



SIS Brand Research and Customer Loyalty Case Studies

CASE STUDY 1: Brand Perception in Aviation Market

Study Overview

SIS completed a brand perception analysis of a major aviation brand, focusing on Emotional Connection, Value and Accessibility. Integral to the study was SIS’s modular design which included Brand Perception, Advertising Effectiveness, Product Assessment and Corrective Action. In addition, SIS reviewed the brand’s ‘relevant differentiation’, which focused on the success of company marketing in the aviation industry.

Case Study Overview	
Date	2010
Sector	Aviation
Geography	3 Regions (North America, Europe, Asia)
Methodologies Employed	Quantitative (N = 500) Qualitative (N = 30), In-depth interview
Time	12 weeks

Brand Categories Under Study

Brand Perception	Brand Vitality	Differentiation	Advertising Effectiveness	Product Assessment
<ul style="list-style-type: none">▪ Emotional Connection▪ Value▪ Accessibility▪ Knowledge▪ Popularity▪ Customer loyalty▪ Quality▪ Sustainability▪ Relevant Differentiation	<ul style="list-style-type: none">▪ Emotional Connection▪ Value▪ Accessibility▪ Awareness▪ Relevant Differentiation-	<ul style="list-style-type: none">▪ measures the success of marketing in terms of the extent to which two goals have been achieved	<ul style="list-style-type: none">▪ Understanding key points in your advertising campaign▪ Keeping messaging consistent▪ Understanding what elements resonate with your target market▪ Alignment of customer needs	<ul style="list-style-type: none">▪ Performance attributes▪ Key reasons for increasing selection/use▪ Customer unmet needs▪ Product attribute or service gaps▪ Sources of value/advantage and performance requirements▪ Benefits that products provide to the market/customers

CASE STUDY 2: Brand Perception in Home Goods Market

Study Overview

In September 2013, SIS measured brand awareness and other drivers of strong brand equity and compared findings to prior study conducted in October 2010. Total ending sample included nearly 2,000 responses (200 being national sample). SIS provide an econometric analysis of each key location as part of the larger brand analysis.

Case Study Overview	
Date	September 2013
Sector	Home Goods
Geography	7 US cities
Methodologies Employed	Primary (N = 244)
Time	14 days

Drivers Under Study

Awareness	Relevant differentiation	Value	Accessibility	Emotional connection
Without awareness, nothing else matters. There is no brand and there are few sales.	Is your brand unique in ways that are compelling to the customer?	Do people shopping your brand's category perceive your brand to deliver a good or excellent value for the price paid?	Do people perceive your brand to be easy to find and purchase?	Are people emotionally connected to your brand in some way? Most purchase decisions are driven by emotions.

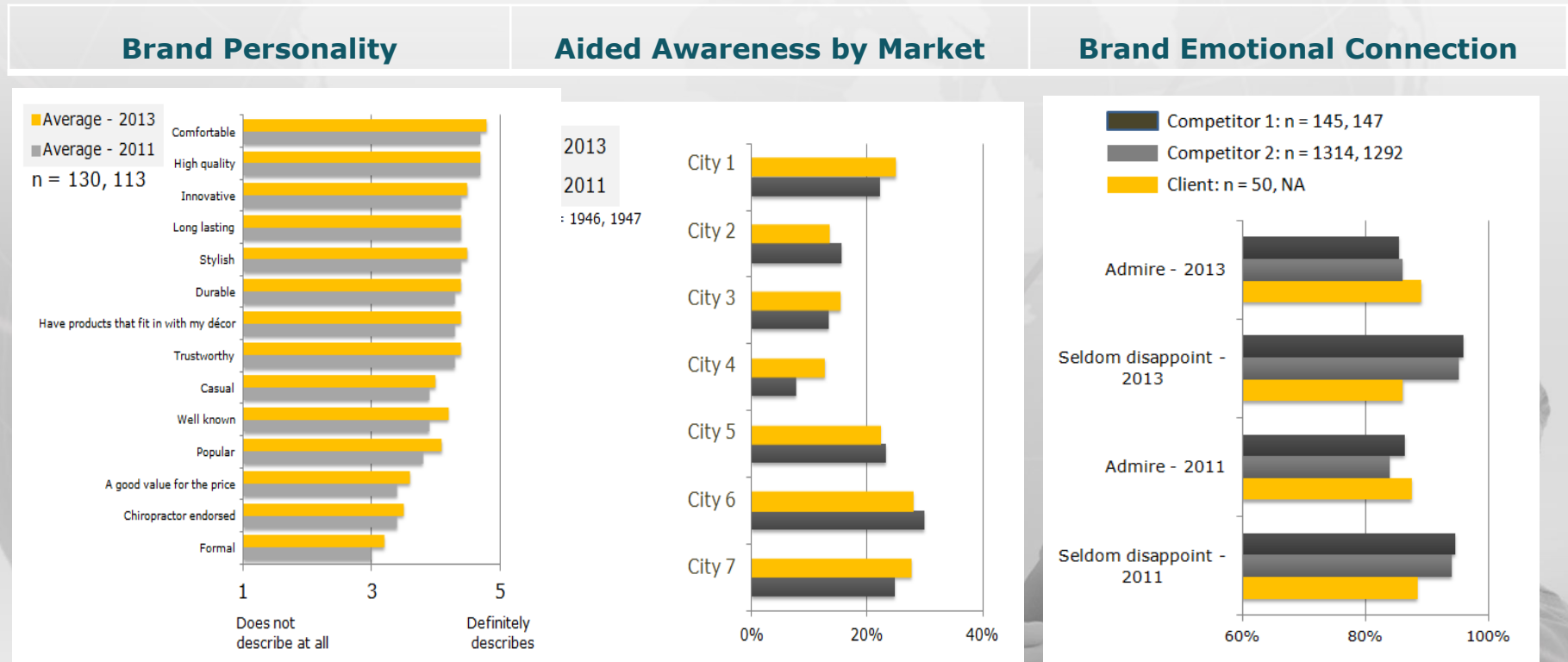
Key Findings and Recommendations

- Findings of our study revealed that the client's furniture brand perception among respondents was of high quality, specifically in terms of "value for price" and "quality" (e.g., relieves back pressure, range in materials such as leather and other product characteristics)
- However, awareness of the brand was still low relative to competition, and that the company underperforms competition within similar price range.
- Given these and other findings, SIS recommended that the client should continue positioning its brand at a premium, leveraging the company's strong design and innovation culture

CASE STUDY 2: Brand Equity Survey in Home Goods market (cont'd)

Example Analysis – Brand Differentiation

SIS leveraged a variety of key metrics, including brand personality, brand loyalty, brand vitality, brand differentiation, brand emotional connection and other key metrics. Below are two examples:



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