

# The Brand Gap 2.

Bridging The Brand Gap

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# Introduction

Last year we reported on the ‘gap’ that existed between what advertising practitioners knew to be best practice and what they actually did with their media spend.

At the heart of this was the ongoing trend of increasing spend on digital ‘response’ channels at the expense of proven brand-building channels. Last year’s report explored the brand gap and looked specifically at why it was happening. This year we return to the topic with our focus on two questions:

1. How have things changed?
2. How are brands responding?

The report is based on extensive ‘front-line’ research within the advertising industry:

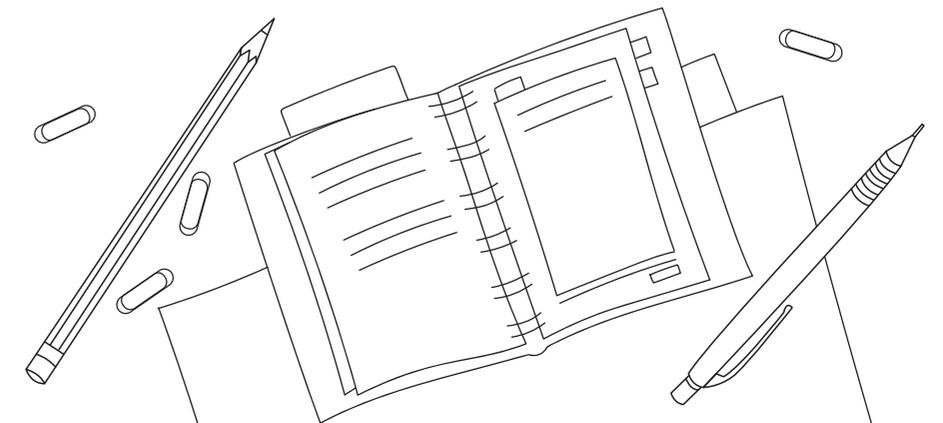
- Interviews with 10 advertisers across a range of categories and sizes of spend.
- Interviews with 10 media agency Account Directors.
- An online survey of 101 media agency practitioners.

The research was conducted in May/June 2019.

# Key findings

Work Research would like to thank all interviewees for their time and opinions that form the basis of this report.

- The brand gap has become a priority issue for marketers and their agencies.
- The brand gap is starting to be seen in diminished business results.
- For the first time there are strong intentions to make the necessary changes.
- Change starts with a focus on strategic, not tactical planning.
- Measurement that emphasises short-term effects is part of the problem. There is a need for evaluation that balances both long and short-term indicators.
- Channels that offer the ‘best of both worlds’ are a proven way to bridge the brand gap.



# About

JUSTIN GIBBONS  
FOUNDING PARTNER, WORK RESEARCH



Justin studied History at the University of Edinburgh and at University College London before starting life as a Qualitative Researcher at Synovate.

He went on to be a Cool Hunter and a Media Strategist and joined PHD as Director of Strategic Services in 1999.

He founded Work Research in 2006 as a media specialist research business.

TONY REGAN  
MANAGING PARTNER, WORK RESEARCH



Tony is a Consultant and Communications' Strategist who has played key roles in some of the most pioneering advertising and media agencies of the past 20 years.

He has been a champion of consumer insight and communications' integration, whose experience bridges the disciplines of creative, media and research, working with a wide variety of clients across diverse sectors.

# Work Research

Work Research is a specialist media consultancy focused on the UK's media owner community and industry trade bodies.

Work Research was founded in 2006 by Justin Gibbons and quickly became the first-choice research consultancy for a wide range of media owners, industry trade bodies and a variety of agencies.

Work Research's 'Industry View' study is the benchmark tracking study for the media owner sector.

Recent clients include: Channel 4, ITV, JCDecaux UK, News UK and BARB.



# The Brand Gap

There is no doubt that the brand gap has become a key focus of attention for the advertising industry.

Professor Mark Ritson agrees:

***“It is the big issue facing marketers. Everyone accepts we are thinking and spending and executing too much in the short term at the expense of the long.”***

***//Mark Ritson***

He is not alone. Peter Field, author of ‘The Crisis in Creative Effectiveness’ shows the effect that the brand gap is having on campaign effectiveness.

*“The collapse in effectiveness can be explained largely by the shift to short-term activation-focused creativity and the strategic and media trends this has promoted. We have known for many years that creativity delivers very little of its full potential over short timeframes, yet the trend to short-term, disposable and ultimately inefficient creativity continues.”*

***//Peter Field***

The research data agrees with this. Kantar’s analysis of 3,900 brands in the BrandZ database discovered some alarming truths about the damage being done to long-term growth by over investment in short-term activity.

*“No more than 6% of brands grew market share over one year and only six in 10 of them sustained that gain over three years. What’s more, less than one in 10 of the 6% of brands growing market share over a year then went on to improve on their initial gain. That equates to just 1% of brands that succeeded in building sales momentum over the long term.”*

***//Kantar***

09\

# Too big to ignore

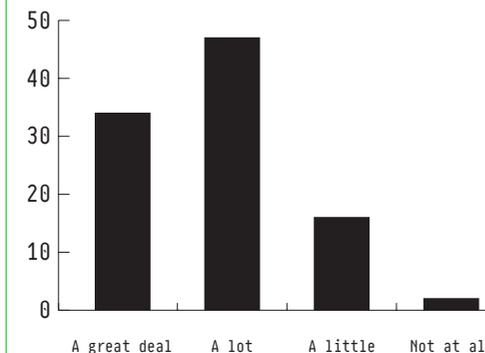
Marketers have found this impossible to ignore and the response has started to be felt across marketing departments and in their agencies.

In our survey of over 100 agency staff, the same picture emerged, with 81% agreeing that their clients were actively thinking about the balance of brand and response in their spend.

*“It’s a live and constant conversation.”*

***//Advertiser***

To what degree are you and your clients thinking about the balance of brand building vs. sales response in your campaigns?



*“It’s a real preoccupation.”*

***//Advertiser***

*“A live debate.”*

***//Advertiser***

*“This has been the year when it’s risen to top priority.”*

***//Agency***

One thing that has changed is the amount of senior engagement with the issue.

*“There’s a change in the conversation by senior leadership, they understand this and are trying to address it.”*

***//Advertiser***

*“You’ve got to have an argument that works in the boardroom and with the commercial teams.”*

***//Advertiser***

*“It really helps to have a CEO who’s an ex-Marketer.”*

***//Advertiser***

# The triggers for change

Alongside senior engagement, there are often ‘real-world’ triggers for tackling the brand gap.

More brands than ever in our survey are reporting that they are seeing diminishing results from their activity, causing them to reappraise how their marketing works.

In the survey data we see the signs of this real-world trigger with over 60% planning to do something different with their media spend.

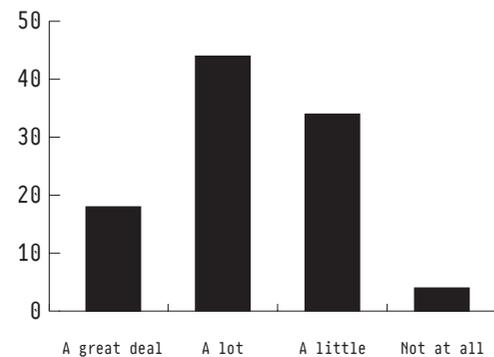
*“Famously one competitor scrapped TV in favour of Direct Mail but responses completely plummeted.”*

//Agency

*“There are brands that 100% need support, without brand building the response simply can’t work.”*

//Agency

To what degree are you and your clients planning to do something different when it comes to balancing brand building vs. sales response in your campaigns?



*“We saw the numbers going down, simple as that.”*

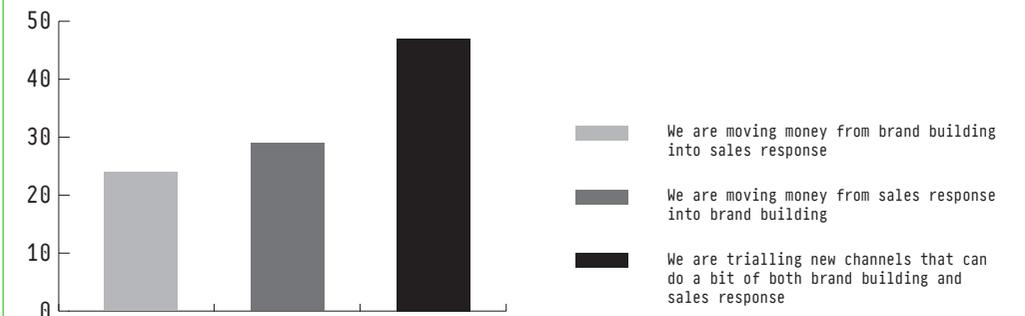
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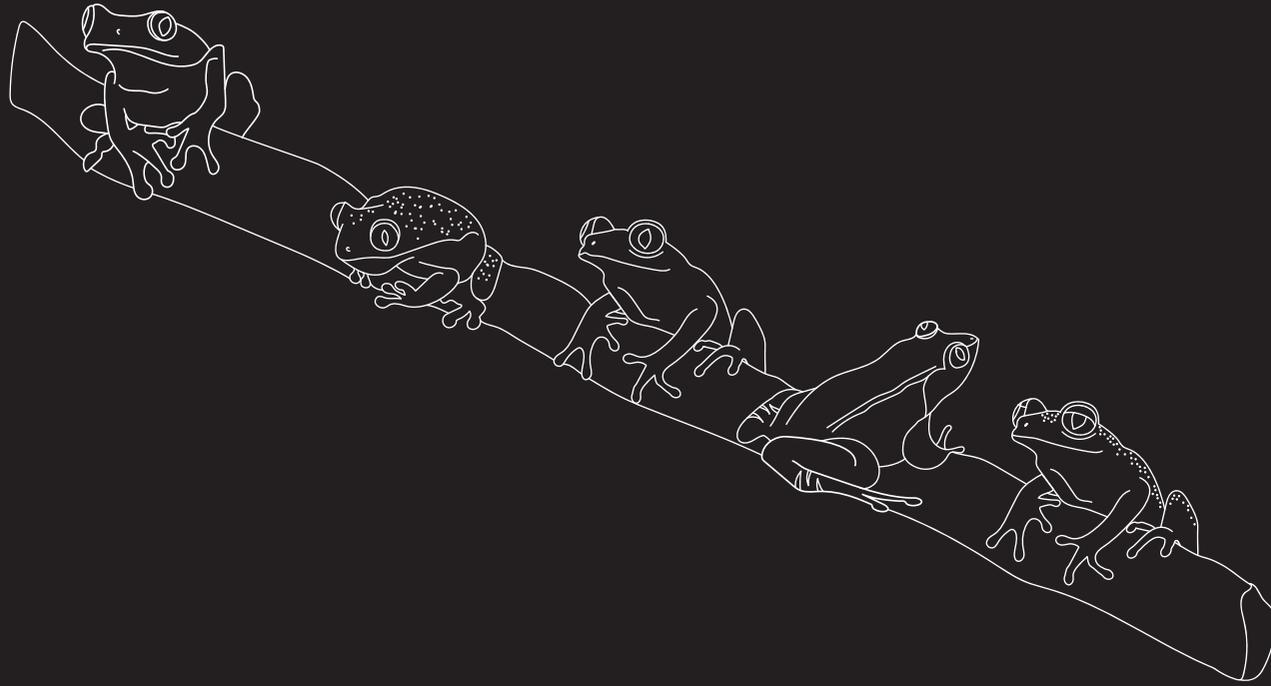
# Early signs of change

Our research shows that there are early signs of a recalibration of spend.

Certainly the intention is there. According to the survey data, 29% of brands are planning to move money from response to brand building. More interestingly, nearly half (47%) are planning to move money into channels that can offer both brand and response.

Which, if any of the following are true of your campaign planning this year?





*There were five frogs sitting on a log,  
One frog decided to jump off the log,  
How many frogs are still sitting on the log?  
The answer is that all five are still sitting on the log.*

*Because there is a big difference between  
deciding and doing.*

# A charter for change

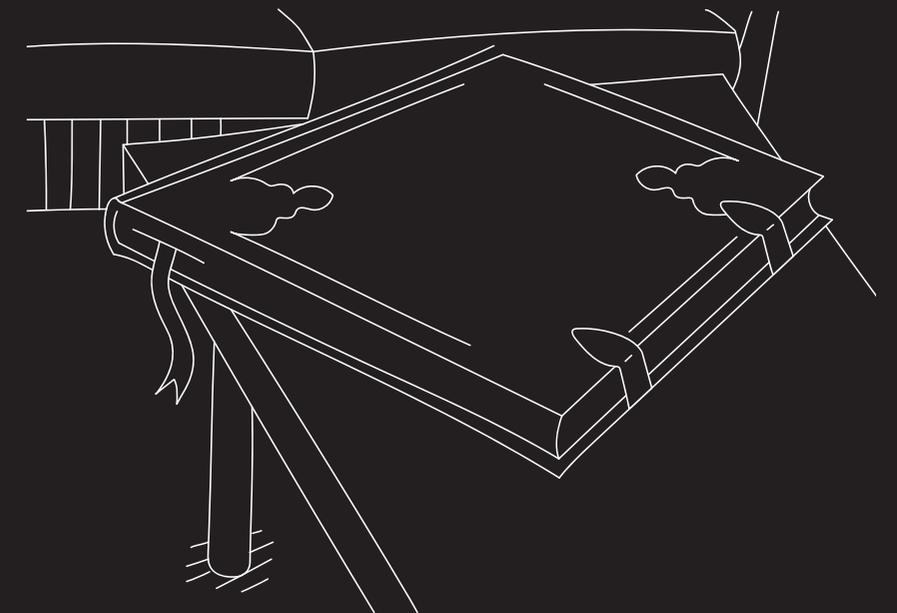
A set of 'tricks of the trade' emerged in our interviews.  
Tried and tested ways for bridging the brand gap.

Ways to bring the theories of Binet and Field into the real world of a client's business.

Driven by a need to engage upwards into the business.

Our charter for change – a guide to bridging the brand gap.

1. Start by looking for the signs
2. Write a long-range plan
3. Harness senior support
4. A measurement framework
5. A test and learn mindset
6. Best of both worlds channels
7. It's all about consideration
8. The creative bridge



1.

## Start by looking for the signs

The single strongest trigger for change is **evidence** that over investing in short-term activity isn't working (or isn't working as well as it used to).

- Results slowing down
- Results getting more expensive
- Brand metrics in decline
- Trends in the key metrics:
  - Awareness
  - Consideration
  - Intention to purchase
  - Penetration
  - Frequency of purchase

***“Do a full data audit, get your hands on as much as you can, see what the actual results look like, look at it in the round, not discipline by discipline.”***

//Agency

2.

## Write a long-range plan

Experience tells us that short-term objectives are most easily met with short-term tactics.

**‘Long-range planning’** provides a one, two and three year view of the brand's ambitions, objectives and strategy. A long-range plan provides a direction of travel that engages stakeholders and keeps teams aligned when numbers wobble or commercial teams ask questions.

*“A long-range plan focuses stakeholders' minds on the interplay between brand and response and how they work together.”*

//Agency

*“Too quickly business objectives become sales targets.”*

//Advertiser

*“Without a plan, the weekly sales targets drive everything.”*

//Advertiser

*“Nobody wanted to fall behind the trend, to be investing too little online.”*

//Advertiser

3.

## Harness senior support

Implementing strategic communications requires the buy-in and the support of **senior decision makers** in a way that tactical communications, project work or ‘business-as-usual’ doesn't always need.

*“We've got a media plan and we've got a 'ways of working plan' that's about influencing senior stakeholders.”*

//Agency

‘Board-friendly’ evidence is key:

*“We set our econometrics up to make sure we can see short-term and long-term effects. That drives our investment decisions.”*

//Advertiser

4.

## A measurement framework

It is often felt that the measurement war has been won by the response teams.

*“The performance guys have championed all the things that are nascent right now - accountability, measurability, sales and revenue.”*

//Advertiser

It is often the case that while digital data abounds, there is a striking lack of brand data, and what there is often lags behind the digital sales' dashboards.

*“Unbelievable, but there isn't a brand tracker at all.”*

//Advertiser

Bridging the brand gap requires a clear measurement framework that can show the contribution of awareness, consideration, intent and brand associations to sales.

5.

## Test and learn mindset

The brand gap is not easily (or often) bridged in one go!

Clients and agencies found that a series of small steps brought people along the journey.

Test and learn has a number of advantages baked in:

- Clear objectives
- Well measured
- A learning mindset rather than right versus wrong
- Smaller risk
- More interesting communications

***“We’re thinking how we test DOOH, how we can be more dynamic, better geo-targeted, our ambition is to be a brand that is more reactive.”***

//Advertiser

6.

## Best of both worlds

A recurrent theme is to use media channels and formats in different ways to achieve different objectives.

*“More than channel choices, it’s about choices in channels.”*

//Agency

*“TV for instance has proven brand-building and sales-driving effectiveness.”*

//Advertiser

*“We can do the big splashy stuff with OOH but then we can also do dynamic targeting and look at how it ties in with the promotional calendar.”*

//Advertiser

*“DOOH is that perfect blend of brand and response.”*

//Agency

7.

## It’s all about consideration

Kantar’s 2019 BrandZ data supports findings from our research.

Their ranking of the UK’s 75 most valuable brands has shown that more brands are now declining in value than are growing. Of the 75 brands ranked, 38 declined in value, by an average of 12%.

This means there has been an overall year-on-year decline of 3% in the UK, which is well behind the growth rates of BrandZ’s Top 100 most valuable global brands, which increased 7%.

In our research, advertisers spoke about ‘consideration’ as the key metric in need of attention to combat this decline.

***“Consideration is the ‘golden metric’ for the brand gap which sits between the big top-of-funnel metrics of awareness and the bottom-of-funnel metrics of sales.”***

//Advertiser

8.

## The creative bridge

The use and production of creative assets are a recurrent theme.

- For clients, it is about getting the most use out of them.
- For media agencies, it is about being mindful of the media plan’s impact on production budgets.
- For creative agencies, it is about thinking beyond ‘matching luggage’.

*“We’ve moved from launch to year two when we need to communicate a range of messages and we have been able to flex that messaging within the OOH plan.”*

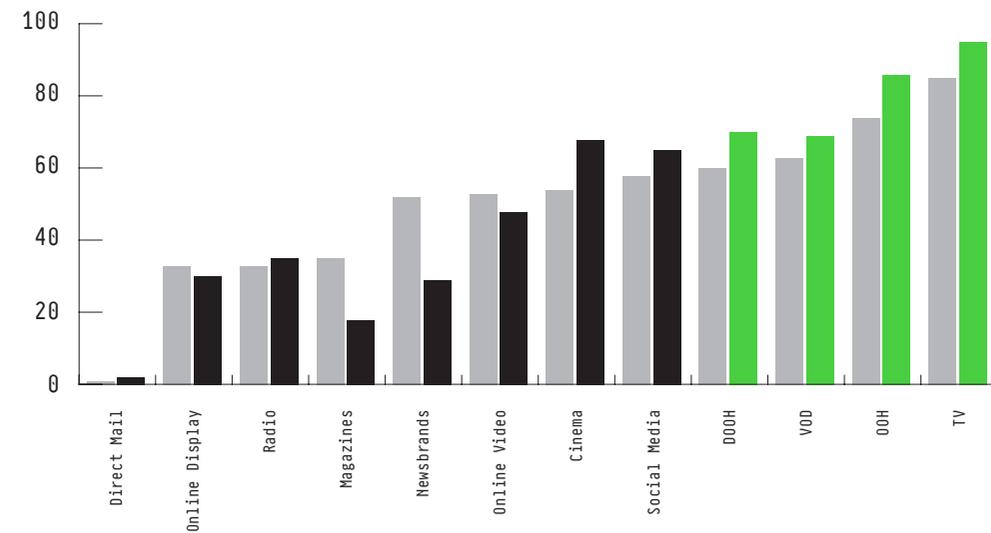
//Agency

Clever marshalling of the creative work provides not only cost-effective solutions but ensures the brand effect is amplified across the campaign.

# Key trend data 2018-2019

## Brand building 'go to' media channels

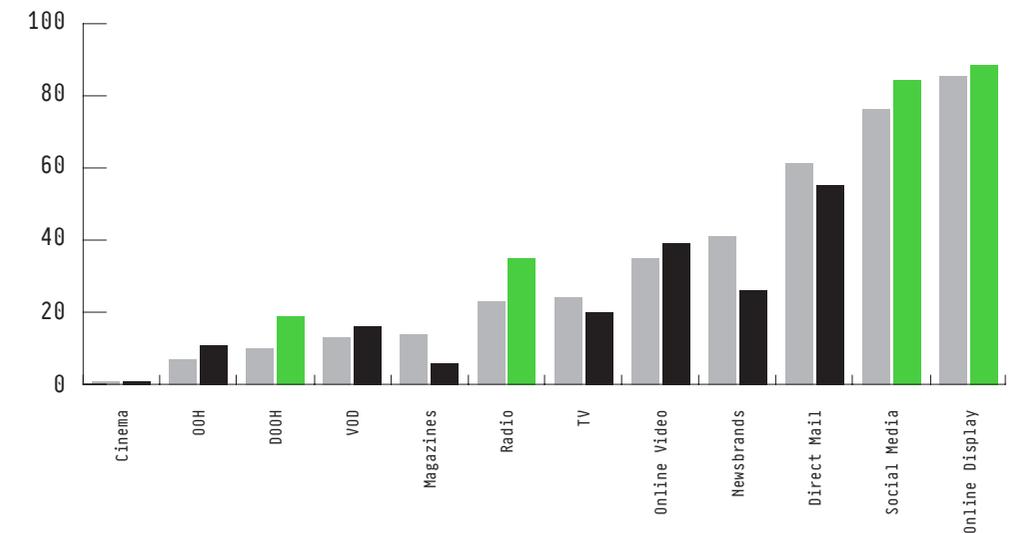
Thinking about a brand-building campaign, which of the following media are your 'go to' channels?



There has been a growing belief in the power of 'traditional' channels at brand building. TV and OOH remain the top two, with VOD and DOOH their digital counterparts, ranked third and fourth.

## Activation 'go to' media channels

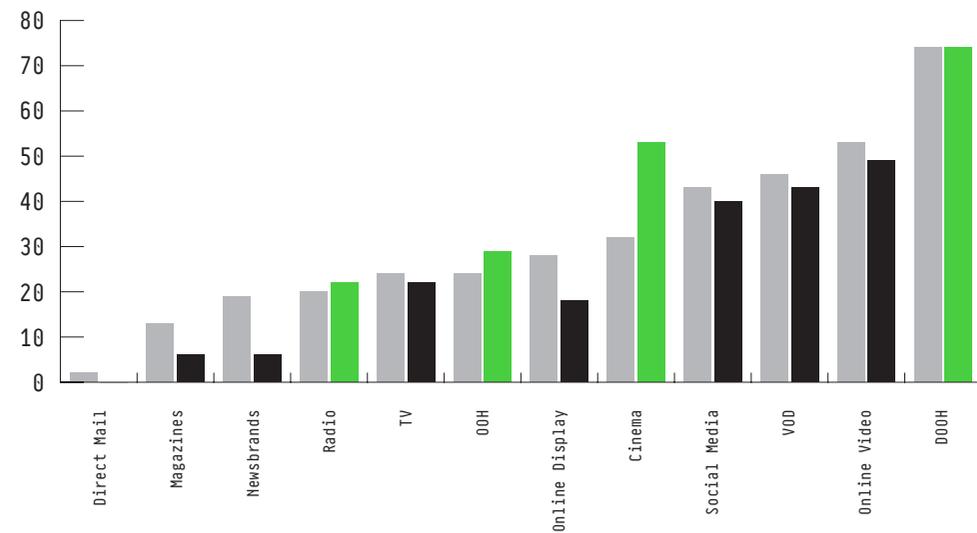
Thinking about a sales response campaign, which of the following media are your 'go to' channels?



Online Display and Social Media continue to be the key activation channels, though as we can see there has been a growth for Radio and DOOH for response campaigns.

## Reputation 'on the up'

Which of the following media types would you describe as having reputations on the up right now?

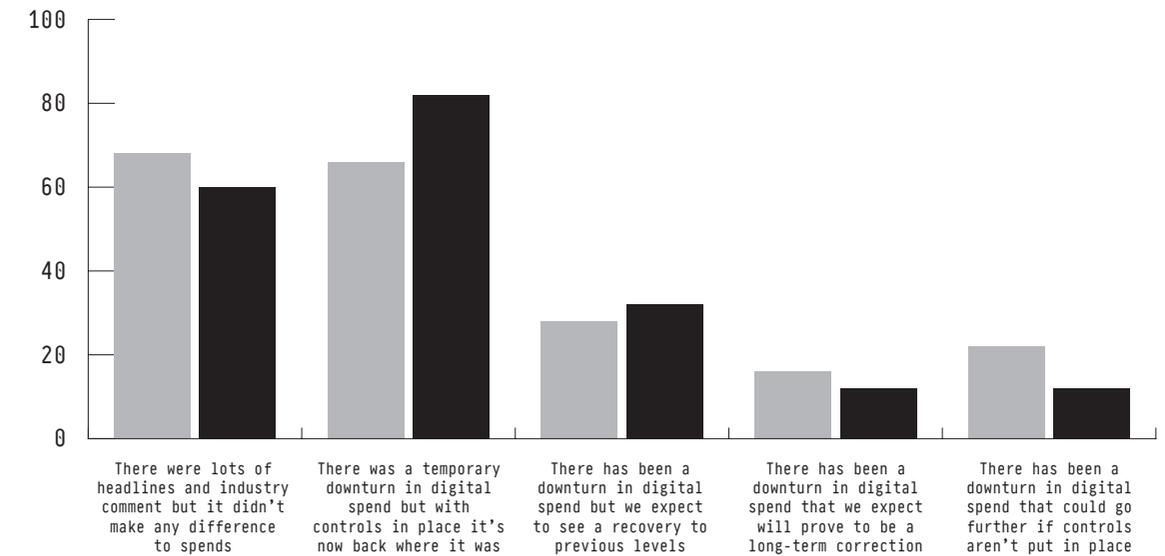


DOOH remains the media channel with the most momentum for the second year running. Interestingly, the big risers in 2019 were 'traditional' channels such as Cinema, OOH and Radio, with Online channels being on the decline.

2018 2019

## Media spend on digital

To what degree has the recent bad press about digital media (brand safety, transparency, data verification) affected your clients' media spend on digital media?



Media spend on digital channels continues to be relatively unaffected by bad press. Only 20% of those surveyed thought that spend levels would suffer a long-term downturn.

2018 2019

“

*Tackling the brand gap doesn't happen by accident. It requires strategic thinking upfront and creative energy to execute.*

*// Dane Hamer*

*Marcomms - Brand Creative and Media O2*

”

“

*This is a brilliant report that in a few pages captures the current predicament facing so many marketers. We know we should push more investment into brand building and pull some of the funds currently devoted to performance marketing. But we just can't close the gap between short-term cycles of efficiency and long-term effectiveness.*

*// Professor Mark Ritson*

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*“This is a brilliant report that in a few pages captures the current predicament facing so many marketers.”*

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