



# action line

occasional news and notes from action marketing research

February 1999

## Advertising Effects on Brand Image

Several of our clients were intrigued by a recent article in the Journal of Advertising Research (October/September, 1998). The authors present data which show that the value of long-term advertising does not always come from changing consumers' attitudes about the brand.

Rather, they found a stronger correlation in their category (rental cars) between changes in brand awareness and changes in share.

Neither we nor the authors doubt that advertising focused on imagery and positioning is sometimes critical, but the point is that one shouldn't make assumptions. Do you know whether brand salience (top-of-mind awareness) or brand image is more of a driver in your category?

If salience is more critical, then the authors advise advertising "that is intrusive and/or entertaining" and clearly emphasizes the brand name. This advice is consistent with a well-known (but controversial) ARF study which concluded that the likability of advertising was as influential in consumer response as anything.

Our advice is to look at this study and then consider whether your advertising should be building a brand image or simply keeping your brand in the top of consumers' minds.

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## The Usual Self Promotion

Paul Riedesel will be one of several discussion leaders at the March 16<sup>th</sup> meeting of the Minnesota MRA chapter at the Airport Hilton, beginning at 11:00. His table will discuss Analysis for Strategic Decision Making. Call Lisa Denning at 651-456-6805 for details.

## Planning Actionable Research

Everyone wants, and claims to do, actionable research. Unfortunately, the ability to deliver useful findings depends on what happens early in the negotiations between research users and doers. We follow a three-step process to assure that the right design and analysis ensue.

- â Articulate the actual decisions to be shaped by the research.
- ã Specify what findings or information would influence these decisions one way or the other.
- ä Then figure out how to get that information in a cost-effective and reliable manner.

While this may look like textbook Pablum, it is actually a challenging regimen. Too often, research users begin with a vague desire for information but no clear idea of how they will apply it. That's a recipe for disappointment. The first job of the researcher (internal and external) is to interrogate the client about points one and two. Once that is done well, however, it will be smooth sailing for a good researcher. The questionnaire may not quite write itself, but the rest of the process will be much easier and much more satisfying to all concerned.



314 CLIFTON AVENUE

## How Are Your Relationships?

No, we don't mean to replace Dr. Joyce Brothers. We're talking about your brand relationships. Recently we came across a very interesting argument by Max Blackston of Research International to the effect that we are overlooking a critical dimension in brand research.



Sometimes consumers' images of a set of brands tell the story, but other times they do not. The real question, says, Blackston, is "What does the **consumer** think that the brand thinks of them?" Does the consumer feel valued or like a nuisance, respected or belittled, welcomed or scorned? These are not brand attributes as we usually think about them, but feelings the consumer senses.

We have begun to advocate measuring the nature of these brand relationships along with brand attributes, and expect to find that they are often more predictive of satisfaction and loyalty.

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## Research for Direct Marketing

Many companies and agencies are expanding their direct marketing operations. There are both special advantages and challenges in doing research in support of direct marketing. The broad principles still apply, but different tactics are often needed.

This is an area of special expertise for our **Jan Kihm** who has many years on both the supplier and user side of direct marketing research. A member of the Direct Marketing Association, Jan has a busy practice consulting on both studies and in training neophyte direct marketers in the proper use of research.

She would be glad to hear from you and lend her experience to your issues.

## Modeling Loyalty

All businesses have an interest in improving customer loyalty, and some actually do research to learn where they have the most leverage. A common approach is to collect many attitude measurements about satisfaction, perceived performance, and loyalty (or disposition to re-purchase).

At this point the analysis often becomes frustrating because everything seems to correlate with loyalty; simple regression may give maddening results with counter-intuitive signs. Usually, this frustration could have been prevented by more careful thinking about what is being measured and how.

Specific attitude questions need to be seen as imperfect indicators of more general, underlying factors. These underlying factors may be linked in a system of equations which represent the causal effects and which take into account many of the fallibilities of survey data.

These so-called Structural Equation Models (SEMs)—when correctly used—can show the influence that the underlying factors have on something like loyalty. Some of these effects may be direct, while others are indirect through such intermediate factors as customer satisfaction. (Some may know this as LISREL or even path analysis, but these are just variations).

SEMs may look like rocket science, and thus be off-putting to the non-technical manager. However, our commitment when using SEMs is to interpret their implications in plain English. They do not fit every problem and they should not be imposed on any old data set. However, they are an important tool to have around.

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Like our new graphic design? Credit is due to the Kenyon Consortium, a division of Fallon McElligott.