

NEW RESEARCH BY BRANDHOUSE IDENTIFIES AND MEASURES A BRANDS'EMOTIONAL COMPETITIVE ADVANTAGE' FOR FIRST TIME

Submitted by: Gabriel Communications (London)

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Brandhouse, one of the UK's leading brand agencies today unveils a new study, the Brandhouse Emotion 100™ report, that maps, for the first time, the emotional brandscape of Britain.

The report, produced in conjunction with The Centre for Brand Analysis, is the result of an empirical study, conducted amongst a nationally-representative sample of 2000 UK consumers, of an issue that has, to date, been largely unexplored. Although it is increasingly acknowledged that positive emotional connections between brands and consumers generate higher loyalty, support price premiums, defend brands from aggressive competition and create a buffer in economic downturn, there has, until now, been no systematic study of the issue and the emotional factors and mechanisms at work.

By conducting a detailed analysis of the 7 main emotional dimensions along which brands connect to their consumers, it is possible to determine the precise nature of the 'Emotional Competitive Advantage' that some brands have over their rivals – and what those rivals need to do if they are to improve their prospects.

The Brandhouse Emotion 100™ study highlights some surprising findings:

- Emotion matters - but It isn't always the 'showy' emotions that matter most. In relationships with brands – as in many other areas of human interaction - brands that offer steady contentment often retain more long-term loyalty than those that seek to provide high levels of novelty and excitement.
- Which is why Kellogg's, for example, has extremely high Emotional Competitive Advantage.
- Meanwhile, some very high-profile 'high-energy' brands – Red Bull and Yakult, for example - are actually surprisingly vulnerable - whilst some 'unexciting', part-of-the-furniture brands actually inspire considerable love and loyalty.
- Even in the most price-driven sectors, it is almost impossible to become a significant national player without an overall positive score on all 7 emotional dimensions.
- Most brands in most sectors Could Do Better – there are few brands that would be strongly and actively missed if they ceased to exist: something that the demise of Woolworth's, for all its history and heritage, bears testimony to.
- Service brands in particular have low Emotional Competitive Advantage and are vulnerable to lower-priced competition
- And despite its recent revamp, McDonald's fails to engage on any emotional level

The report provides in-depth analysis of 19 sectors including airlines, retail, technology, automotive and media, uncovering a wealth of insight that will help marketers benchmark their own performance and

start to understand how to drive growth and create new opportunities.

Mark Wickens, Chairman and Creative Partner at Brandhouse says: "People think it's about 'love and hate' but emotional connections between brands and consumers run much deeper. This is the first time that a 3-dimensional emotional study of Britain's top brands has been conducted and they reveal how marketers can take advantage of key findings to boost relevance, loyalty and growth."

Crispin Reed, Managing Director of Brandhouse says: "Emotional Competitive Advantage is now tangible and can be measured, which means it can be managed. This research endorses an approach to branding and is the start of a more rigorous look at how to create emotional connections between brands and consumers."

A follow-up study will take place later in 2009.

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Notes to Editors:

Brandhouse established itself as the UK's first brand agency when it was launched in 1989 and has grown to be one of Europe's leading proponents of creating emotional connections for brands. It is independently owned and has won many creative and Effectiveness awards for clients including Britvic, Mars, M&S, Coors, The Federal Democratic Republic of Ethiopia, Mitchells and Butlers and Glanbia.

'Brandhouse Emotion 100' is a trademarked property of Brandhouse Ltd.

*A nationally representative sample of over 2000 British people between 16-64 was polled, and the brands taken from the UK's leading 500 Brands.

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