## RESEARCH

## NURTURING BRAND ADVOCATES

Advocacy is marketing's new buzz word. Marketers at cosmetics brand Esteé Lauder know that their customers are not only single-minded when it comes to choosing cosmetics, but they are also brand ambassadors, otherwise known as 'advocates'. They actively tell others about their experience of Esteé Lauder and their associated lifestyle.

Advocacy is an important indicator of brand power, as opposed to product or service offering. It's an indicator of customer value, and the basis for word-of-mouth, which is widely acknowledged to be the most powerful influence for consumers, who place twice as much importance on personal recommendations than advertising or editorial. The root of this is advocacy.

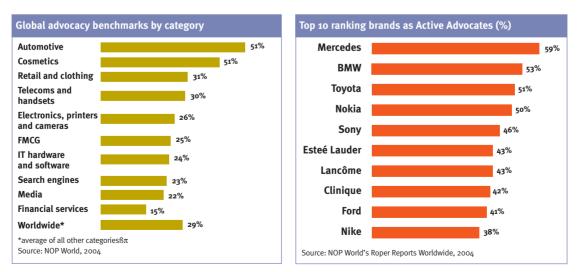
The good news is that we can now identify a brand's core advocates. They can be classified into four groups – Indifferent, Fulfilled, Committed and Active Advocates. Indifferent consumers have no loyalty to a particular brand and often drift to other brands which they think meet their needs equally. Fulfilled customers are happy with the product or service that they receive, but have a functional rather than emotional relationship with the brand, with value being the key influence. Committed customers are regular, loyal clientele with the ability to be cross-sold and up-sold, but they still have a relatively inactive relationship in terms of promoting the brand.

Active Advocates are the committed customers with emotional bonds that go beyond the typical relationship of customer and supplier. These are the customers with the highest level of involvement, the people who 'live' the brands they regularly use. Their lifestyles mirror brand values and they talk about their experiences. Brands with high levels of Active Advocates include Harley Davidson, Apple and Google, all of which have been built on advocacy rather than extensive advertising spend.

Our study shows that some businesses are made for advocacy, while many others find it incredibly difficult to reach this Holy Grail. There is no secret formula to achieving good advocacy, but there are fundamental principles which brands should consider.

Take car brands. The fact that people love talking about their cars comes as no surprise, and that generally the more they spend on their cars, the more they talk about them. The study into the advocacy levels of global brand giants across 30 countries showed that the top three were all car brands. Mercedes led the pack, with 59% of its customers classified as Active Brand Advocates, with BMW (53%) and Toyota (51%) trailing slightly behind.

So while many of the leading global car manufacturers 'breed' advocacy, on the flip side we have industries, such as financial services and TV channels, where people are less inclined to engage with brands. Coronation Street devotees no doubt talk about the programme on a daily basis; however the ITV brand rarely gets a mention



brand strategy november 2004

Indifferent 43% 29%	Active Advocate
29%	
	27%
<b>o%</b>	40%
<b>o%</b>	23%
<b>o%</b>	20%
14%	17%
<b>o%</b>	43%
<b>29%</b>	57%
	0% 0% 14% 0%

AR. 1 *		
Making an Active Advocate – Lancôme		
	Indifferent	Active Advocate
High quality	29%	64%
Makes me feel pampered	24%	54%
A brand I trust	36%	61%
Makes me feel stylish	36%	61%
Makes me feel happy and cheerful	21%	45%
Makes me feel like a trendsetter	17%	31%
Friendly and responsive		
to customers	12%	24%
Source: NOP World. Based on a san Worldwide	1ple of 170 drawn	from Roper Reports

because the ITV brand is not the vehicle engaging viewers – that's the programme. If Coronation Street was shown by Blogg's Channel, it would take its viewers with it. Exceptions in this market are the Discovery Channel and the National Geographic channel, both of which have created a strong lifestyle brand based on their programming content. As a result, both enjoy relatively high levels of advocacy.

As a rule, advocacy is easier to create when customers find brand benefits more important than category benefits – and there is genuine brand differentiation in that market. So buying a car, for example, is not just about functionality, as most cars these days are able to get people around quite comfortably; it's about having the car that matches your lifestyle and reflects how you want to see yourself and be seen by others.

Some businesses such as banks have a difficult time communicating their benefits over and above

the functional benefits provided by the category. Few financial service brands break away from this mould. First Direct may be an exception to this rule, because its customer service proposition far exceeds expectations and that of its competitors. When analysing the First Direct model, a clear and distinct lifestyle persona emerges, which sets it apart from other banks' customers. The result is that First Direct customers are loud and Likewise, American proud. Express has achieved good levels of advocacy. It has a distinct emotional value proposition and appeals to users that feel part of the 'Amex tribe' of international travellers.

To create advocates, brand strategists must adhere to some straightforward rules. Above all, they must be trustworthy and deliver their promises to customers. Beyond that, they should be looking to engage consumers emotionally, make customers feel part of a tribe, and encourage a buzz around their brand. They need to consistently exceed customers' expectations and create more than a simple buyer/ seller relationship.

Customers must be nurtured to become advocates. This is as much a customer management and internal communications issue as it is a marketing issue. Advocacy falls somewhere between the two disciplines – the first aim being to retain the customer, the second to 'acquire' such a position in their mind that they move up to the next rung on the value ladder and to become an ambassador, as opposed to a merely passive spender.

Once a group of Active Advocates are built and nurtured, they can be the most powerful tool in a brand's armoury. Indeed, they have the potential to become living advertising space.

Tim Wragg, PhD is global director of the Customer Management Centre of Excellence at NOP World. The 2004 Global Brand Advocacy Survey examined the views of 30,000 consumers worldwide.

brand strategy november 2004