

Brand Actualization

Discovering a path to stronger brand-customer connections.

By Dave Middendorf, Contributing Writer

EVERY MODERN RETAILER KNOWS THERE'S MORE to the business than simply offering the right products at the right prices, although it's certainly a good place to start. For most brands, becoming a meaningful part of their customers' lives is an aspirational goal with a multitude of benefits. It's also one of the greatest challenges.

With the launch of a new research study, design firm FRCH Design Worldwide (Cincinnati) set out to understand the factors involved in achieving this all-important pinnacle of customer engagement. We call this phenomenon "Brand Actualization" – the point where functional and emotional

needs are met, and consumers and brands are united in a shared ownership, in a mutually beneficial relationship.

The study evaluated responses from 2500 participants who rated 50 retail brands in more than 10 retail categories (e.g. department store, specialty, grocery, big box, etc.) on 40 different attributes of brand actualization. Through factor analyses and data-modeling techniques, characteristics were weighted on their ability to discern a retailer's performance. The resulting framework calculates a brand actualization score ranging from zero to 100 for each retailer; the greater the score, the higher the company ranks in terms of customer engagement.

Disney

OAKLEY

SEPHORA

ZARA

ANTHROPOLOGIE

76.65

74.69

74.02

71.16

70.85

THE CUSTOMER IS ALWAYS RIGHT

These top retail brands have several things in common: They have a clear focus on what they offer and whom they're targeting; they have many locations, but they're not in every market; and they're fashion-forward, helping customers make a statement.

Although these brands ranked highest overall, that doesn't mean there isn't hope for other categories. Even some grocery retailers have built strong connections with customers. Publix Super Markets (ranked 16), Whole Foods Market (18) and Costco Wholesale (22) have categorical scores that beat Victoria's Secret (26) and J.Crew (28).

Publix (Lakeland, Fla.), known for its top-notch customer service, promotes its "people-first" culture from within. Employees are trained to greet customers, carry shoppers' purchases to the parking lot and retrieve asked-for items instead of just blurting out an aisle number. These qualities explain why the family-run business is the largest employee-owned company in the country. Publix has succeeded by turning thousands of its cashiers, baggers and bakers into the company's largest collective of shareholders. With this internal culture and focus on putting the customer first, it's easy to see why Publix was highly ranked, especially within the key driver of "corporate soul."

So what can retailers do to improve their connection with shoppers? The power of the brand actualization framework lies in its ability to evaluate customers' use of brands with the ways retailers intend to engage them.

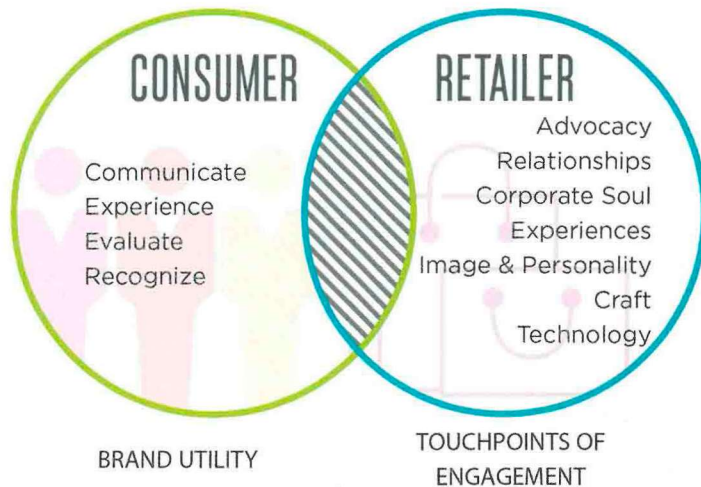
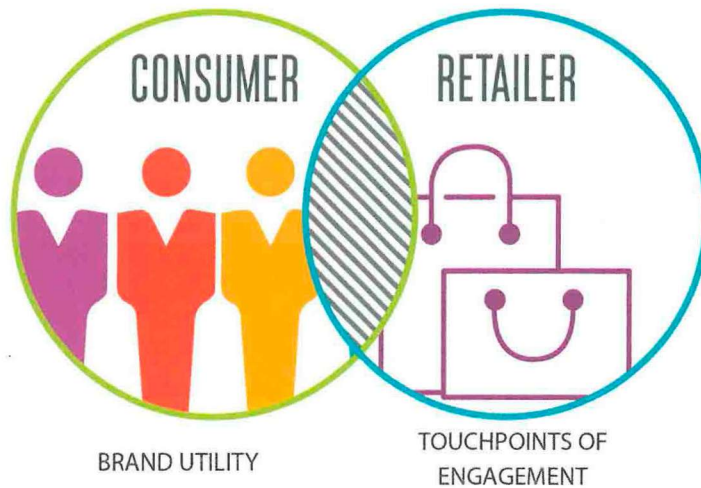
BRING IT TO LIFE

The most impactful attributes within brand actualization scores were aligned with the categories of: "advocacy," "corporate soul" and "relationships." Although "experiences," "image and personality," "craft" and "technology" didn't score as highly, that's not to say they aren't important traits - in fact, they are absolutely necessary as conduits for higher-order communication.

The key takeaway as brand strategists and retail designers is that we need to be constantly filling our projects with meaningful aspects of each brand. A great example is Disney's use of technology as a channel for a more meaningful overall experience for its Walt Disney World guests. In 2013, the Orlando, Fla.-based amusement park introduced the "MagicBand," a wristband that allows the brand to seam-

lessly connect on a personal level with its guests like never before. From ride preferences to hotel check-ins, the wristband stores all the customer's information and logistics, allowing the guests to enjoy their visit instead of stressing over long lines, reservations or payment. It also allows Disney Parks to create hyper-personalized visits for each guest, designed to anticipate their every desire.

The idea was for the company to "get out of the way" so guests - both children and adults - could fully immerse themselves in the fantasy of it all. By making the technology invisible, Disney creates magic by bringing that core expectation to life.



MILLENNIALS

When rating specific attributes of Brand Utility on importance, Millennials have a much broader set of attributes that are “important”, including some very significant differences:



ADVOCACY

The pinnacle of engagement where consumers actively promote & help the brand engage others



RELATIONSHIP

The two way communications that occur between a retailer & its customers



CORPORATE SOUL

The underlying missions, promises & social/ environmental responsibility priorities of a retailer



EXPERIENCES

Interactions with the store that engage the senses, imagination & sense of place



IMAGE & PERSONALITY

The visual & verbal tone used by the brand



CRAFT

The assortment of products & services offered & their overall performance



TECHNOLOGY

The collection of web, mobile, in-store & social media touchpoints

STAY CONNECTED

This is truly the way of the future for retailers (or any brand) to connect with its target customer in a relevant and meaningful way. In this world of ever-increasing communication and interconnectivity, brand actualization will only become more important. This theory was further solidified by the millennials in the study: The data illustrated that this generation is more in tune with the idea of brand actualization, since they prioritize the communicative attributes at its core.

Look at your own organization and the initiatives being prioritized. As you strengthen your brand experience, consider how you deliver on the seven drivers of brand actualization and consider whether or not you're getting the most out of what you're creating. Are your conduits connecting to meaning? And, more importantly, are you a meaningful part of your customers' lives in ways that no one else can be? ▾



As director of brand strategy and insights, Dave Middendorf is the synergistic link between strategy and design at FRCH Design Worldwide. Dave has been instrumental in improving customer experiences for FedEx, AT&T, Procter & Gamble, Build-A-Bear and Burger King. Prior to joining FRCH, Dave served as senior consultant at Interbrand Design Forum and studied human factors at the University of Dayton, receiving a degree in psychology. To read more about FRCH's Brand Actualization study, go to brandactualization.com.