



BRANDS & NEW MEDIA

AMA Doctoral Consortium
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Professor Kevin Lane Keller
Tuck School of Business
Dartmouth College

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The New Communication Environment

- **Major shifts in media viewing habits**
 - Decline of TV advertising
 - Growing use of PVR's, video gaming and internet broadband
 - Rise of mobile phones as ubiquitous tool
 - Explosion of blogs and social communities
 - Importance of search engines (e.g., Google)
 - Events, experience and buzz marketing

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Integrating New Media & “Old” Media into Marketing Communications

- **New media can allow for greater engagement, more personalization**
 - Highly relevant messages
 - Reach different segments
- **Traditional “old” media can offer greater control**
 - Clearer brand messages

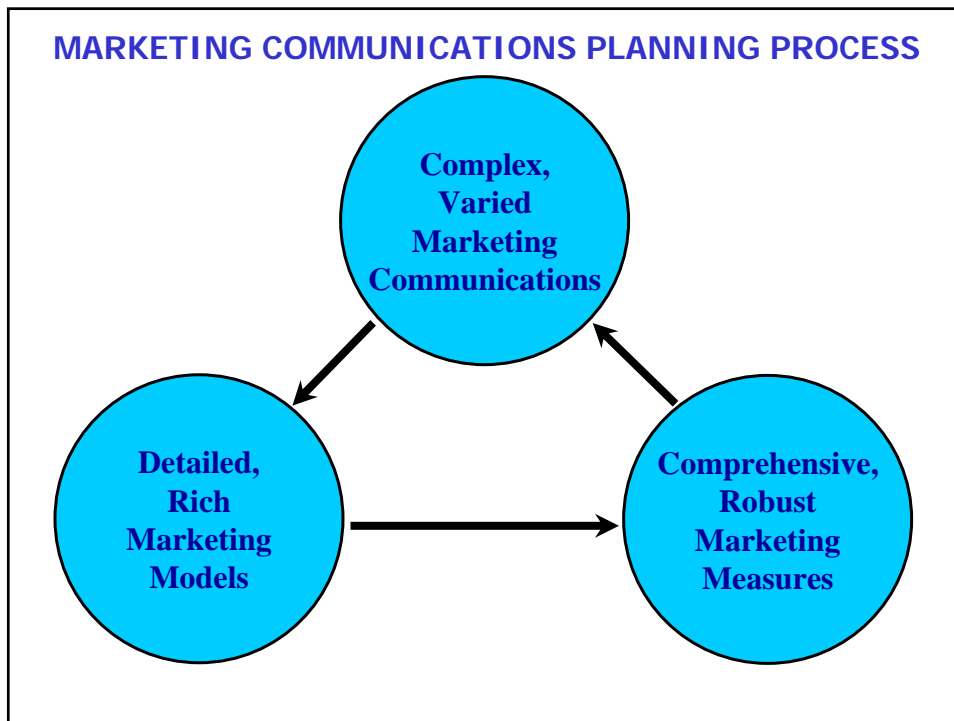
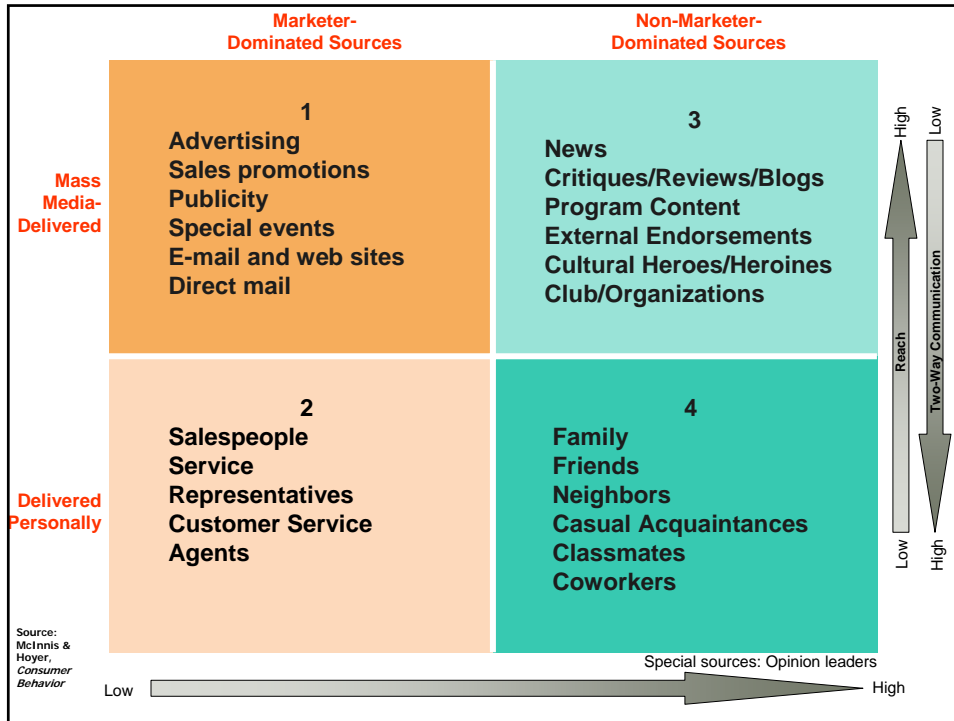
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Mixing and Matching Communication Options

- **Understand sales-generating and brand-building properties of all communications**
 - What effects are created?
 - How strong are brand linkages?
 - How do the effects that are created affect, directly or indirectly, consumers propensity to purchase & use the brands

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Two Key Marketing Models

- **Communications**

- Information processing model
 - Intensity & direction of processing

- **Branding**

- Customer-based brand equity model
 - Brand resonance

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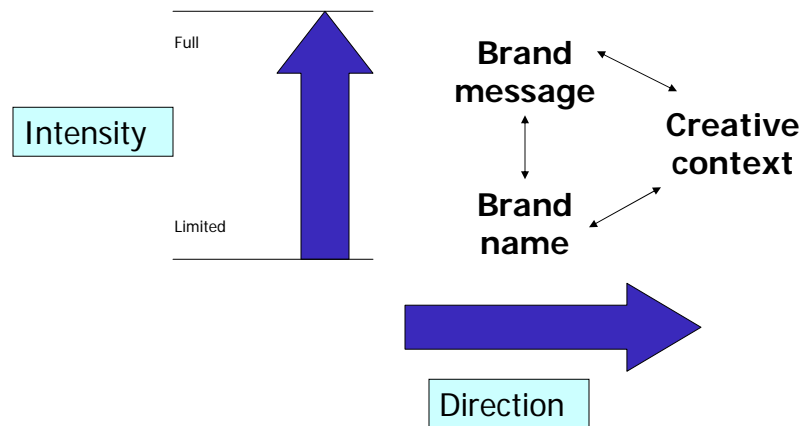
Information Processing Model of Communications

- **Intensity & direction of processing affect what communication effects are created & how they are linked to existing brand information in memory**

- Intensity (how much thinking/feeling)
- Direction (focus of thinking/feeling)

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Intensity & Direction of Processing

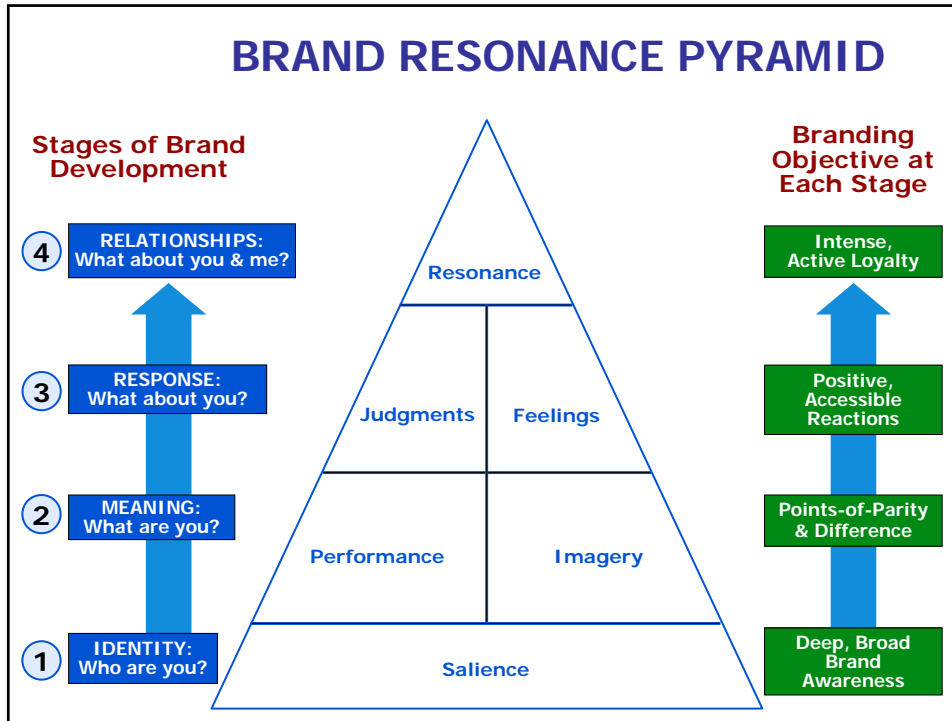


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Customer-Based Brand Equity Model

- **Customer-based brand equity**
 - Differential effect
 - Customer brand knowledge
 - Customer response to brand marketing

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Brand Resonance Pyramid Components

- **Salience**
 - **Depth and breadth of brand awareness**
 - Recognition and recall at purchase and consumption
- **Performance**
 - **What the brand does to meet customers' more functional needs.**
 - Brand performance refers to the intrinsic properties of the brand in terms of inherent product benefits.
- **Imagery**
 - **How people think about a brand abstractly rather than what they think the brand actually physically does.**
 - Brand imagery is thus more extrinsic properties of the brand.
 - **Four important intangible dimensions are:**
 - Type of user
 - Brand personality
 - History & heritage
 - Experiences

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Brand Resonance Pyramid Components

■ *Judgments*

■ Customers overall brand evaluations

- How customers combine performance and imagery associations to form different kinds of brand opinions

■ *Feelings*

■ Customers emotional responses and reactions to the brand

- Can be mild or intense; positive or negative; or experiential or enduring in nature.
- Can also relate to the social currency evoked by the brand.

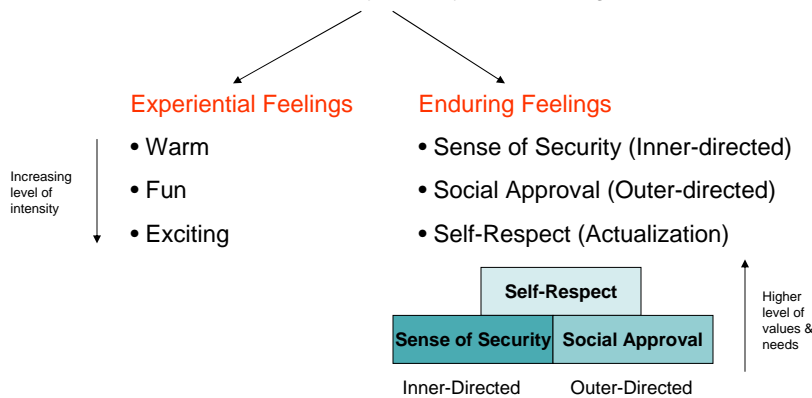
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Dimensions of Brand Feelings

Brand feelings can be divided into two broad categories:

- *Experiential* – immediate, short-lived during purchase/consumption
- *Enduring* – private, possibly part of day-to-day life

Brands should have one, or ideally both, types of feelings



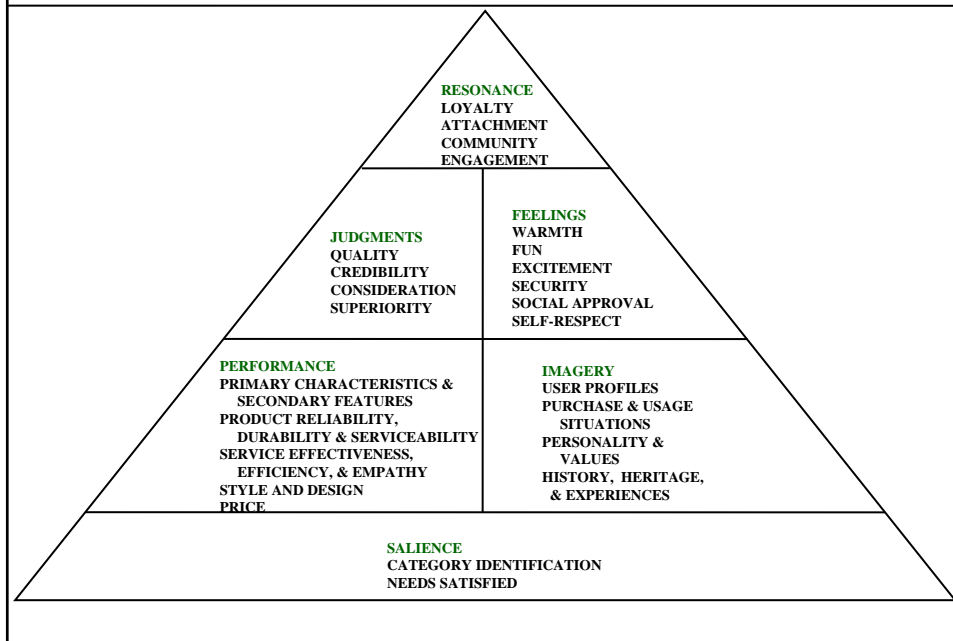
Brand Resonance Pyramid Components

- **Resonance**

- **The extent to which customers feel that they are “in synch” with the brand**

- Intensity or depth of the psychological bond that customers have with the brand
 - Level of activity engendered by this loyalty
 - Repeat purchase rates
 - The extent to which customers seek out brand information, events, or other loyal customers
 - Etc.

Sub-Dimensions of Brand Resonance Pyramid

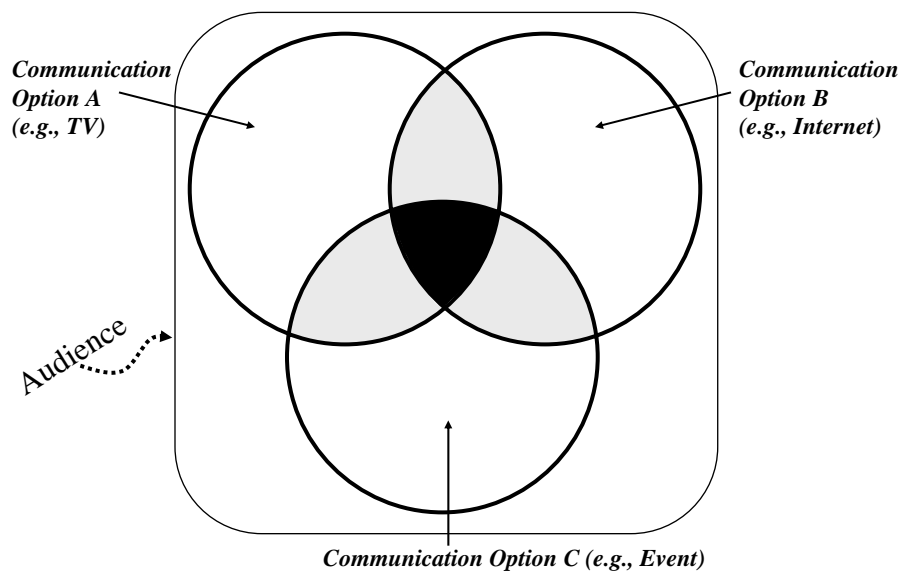


Integrated Marketing Communications and Customer-Based Brand Equity

- **One implication of the CBBE framework**
 - The manner in which brand associations are formed does not matter
- **Marketers should therefore evaluate all possible communication options**
 - Different communication options have different strengths and can accomplish different objectives
 - Different combinations of communications can create enhanced effects

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Audience Communication Option Overlap



Note: Circles represent the market segments reached by various communication options.
Shaded portions represent areas of overlap in communication options.



Criteria to Judge IMC Success

- **When is a communication program truly integrated ...**
 - Whole greater than the sum of the parts
 - $1 + 1 = 3$ or 4 or 5 ...
 - Interaction effects exist in addition to main effects

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Evaluating IMC Programs

- **Coverage**
 - Proportion of the target audience reached by each communication?
 - Amount of overlap among communications?
- **Cost**
 - Per capita expense
- **Contribution**
 - Build brand and customer equity?
 - Drive sales?
- **Commonality**
 - The extent to which information conveyed by different communications share meaning
- **Complementarity**
 - The extent to which different associations and linkages are emphasized across communications
- **Versatility**
 - The extent to which information contained in a communication option works with different types of consumers

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Conclusion

- **Marketing communications must be managed to drive sales and grow brands**
 - Mix and match
 - Blend mass & personal communications; new & traditional media
- **Marketers need to evaluate marketing communication options strategically to determine how they can contribute to brand equity.**
- **Marketers must apply theoretical and managerial guidelines to determine the effectiveness and efficiency of various communication options ...**
 - Singularly
 - In combination with other communication options