The use of brand metrics in FMCG organisations in South Africa

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

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ABSTRACT

Branding has become a high priority for management due to the growing realisation that brands are one of the most valuable intangible assets that companies own. In recognising the importance of brands, companies are placing increased emphasis on understanding how to effectively build, measure and manage brand equity. This requires marketers to have a clear understanding of the brand tracking metrics used in the measurement of brand equity.

The purpose of the study is to assess the degree and prevalence of the use of brand tracking metrics within FMCG companies in South Africa as well as evaluate the methods by which the metrics are collected and presented.

Qualitative research was conducted through in depth semi-structured interviews with 26 respondents involved in FMCG brand management, to gain a better understanding of the use of brand tracking metrics for measuring brand health. The data was content analysed to identify key themes and metrics.

Most FMCG organisations in South Africa are adopting a degree of measurement criteria to track and measure the health of a brand on a regular basis. Brand tracking must be a reflective as well as a predictive tool. It was concluded that South African FMCG organisations consider brand awareness, brand loyalty, brand Association including image and brand performance as all important metrics in tracking brand health. It was further concluded that the most commonly used proprietary models by FMCG organisations in South Africa are the Millward Brown Brand Dynamics and the TNS Conversion model.

DECLARATION

I, Pravina Jagessar, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Pravina Jagessar

Signed at ……………………………………………………

On the …………………………….. day of ………………………… 2013

DEDICATION

I dedicate this research report to my husband, Theren, who has always supported me throughout my life endeavours and my two beautiful children Yashiv and Jiyana.

I would also like to thank my mum for her support in helping me through my most challenging days as a new mum.

In loving memory of my dad who always encouraged me to do my best and who taught me that the sky is the limit and possibilities have no boundaries.

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- my lecturers for their in-depth knowledge, dedication and persistence to help us succeed,
- and finally, to all my respondents, thank you for taking the time to help me complete my survey - you helped me make this possible.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

The purpose of the study is to assess the degree and prevalence of the use of brand marketing metrics within FMCG companies in South Africa (SA) as well as evaluate the methods by which the metrics are collected and presented.

As organisations invest significantly in marketing activities to build brands, marketers need to develop brand metric dashboards to measure the success of brand building activities and show the return on their investments. A key objective of this research is to understand the role of brand tracking and the usage of a brand tracking management system for strategic decision making.

1.2 Context of the study

The dynamics in the current business environment have continued to complicate the manner in which business operations are conducted throughout the world. Marketing strategies, which play a key role in any business, have consistently changed from one industry to the other (Gunelius, 2007). Consequently, the marketing function needs to re-evaluate the brand value chain and its role in business, especially monitoring their scope of performance (Thompson, 2003). The author further elaborates that the marketing function has been under insurmountable pressure to take the leading role for business returns, yet measures to track marketing strategies have been increasingly rendered limited by marketing metrics and measurement practices.

Gunelius (2007) observes that realising the significance of measurement in brand marketing metrics remains at best, a bottleneck despite the notion that 'what is not measured is not managed.' As a reflection of brand potential or even brand health, traditional measures such as sales and market share have limitations. Yet, market share has endured as a gross measure of brand health. It is easily measured and understood, and readily translates into the universal language of business—success in obtaining sales in a competitive marketplace (Hauke, 2007).

While it is agreeable that intangible assets form the basis of organisations worth, brand is the greatest composition of those intangible assets (Perrey and Riesenbeck, 2009). It is therefore surprising that only a small percentage of firms have always been in a position to consistently evaluate the impact of its brand and monitor its measurement criteria. Less than one third of companies have any measurement system to measure the performance of the brand (Dunn and Halsall, 2009).

Much research has been conducted on brand equity and brand equity models that help companies establish a strong brand in the proliferation of brands. (Aaker, 1996 and Keller, 2008). However, there is much to unveil regarding the measurement of brand equity techniques to evaluate their effectiveness. This research investigates the ways companies can measure brand equity building tools as well as the utilisation of this measurement in future modifications of techniques. This view is supported by Rust, Zeithaml and Lemon (2004) that research in the measurement of brand equity techniques help companies uncover gaps and by addressing these gaps can achieve their desired level of brand equity.

As brand metrics are tools to measure brand health, so this research defines the usefulness of the brand tracking metric so that managers can have an influential instinct to continue with the tracking study. To better understand the usage of brand tracking metrics, this research defines some of the metrics being used by a sample of FMCG companies in South Africa and what its usages are.

1.3 Problem statement

1.3.1 *Main problem*

Identify the usage of brand metrics by FMCG organisations for tracking brand equity or determining brand health.

1.3.2 *Sub-problems*

The first sub-problem is to understand the key drivers for measuring brand equity.

The second sub-problem is to understand the metrics used to track brand equity.

1.4 Significance of the study

The study fills the gap that brand health measurement has a significant impact on the financial success of the company. Brands are not only an asset on the

balance sheet rather it is the company itself. Supporters of this approach believe that if everything is taken back from a company except the brand even then managers can build a successful business in a very short time (Keller, 2003).
Brand tracking metrics assist companies by evaluating their brands against their competitors. This is an added advantage as it keeps on informing the company whether competition is serene or going to play havoc. It is measured continuously which instructs the business to make needed brand modifications and keep competitors in focus.

The study provides guidance to all FMCG companies in South Africa who are trying to select key metrics to use when measuring the equity of their brands. FMCG companies are facing stiff competition in the South African market so brand tracking is necessary to be distinctive in the market. All stakeholders can utilise the benefit of this useful tool as it measures multiple dimensions of the brand ranging from financial to competitive as well as prospective.

A gap exists in the measurement of brand building tools and usefulness of this in future brand building which is covered in this literature.

By simply measuring market share it is not possible to have a holistic opinion about the health of the brand thus many other dimensions need to be measured to satisfy all stakeholders of the organisation.

1.5 Delimitations of the study

This study is limited to:

1. South African FMCG organisations
2. The usefulness of brand tracking metrics within the FMCG organisations
3. The managerial level of the pyramid
4. Metrics used as part of the literature review to measure brand equity
5. the economic value accrued by practicing appropriate methodologies of brand tracking

1.6 Definition of terms

Fast Moving Consumer Goods (FMCG) attributed to quick turnover and low cost goods that are replaced in one year. It includes both durable and non-durable goods ranging from cosmetics to electronics.

Brand; means the name, logo, colour, jingle, and symbol and designs that in sole or in combination represents a particular manufacturer and differentiates it from other manufacturers (Punj, Girish and Moon, 2002).

Brand Equity; the differential effect that brand knowledge has on the purchase decision (Keller, 2003).

Aaker (1991:15) defines brand equity as “a set of assets (and liabilities) linked to a brand name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers”.

Brand Tracking; Continuous feedback study that helps to determine the health of the brand. Opinion is taken from the consumers on regular basis so that no obsolete step is taken and competition is not taken for granted (Aaker, 1992).

Brand Awareness; Number of people who have heard about the brand. It also includes the concept of recognition and recall as well (Park and Srinivasan, 1994).

Asset; any valuable commodity possessed by the company. Brand is treated as an asset that justifies the expenses in it as an investment instead of expenditures (Aaker, 1992).

Brand Loyalty; the willingness of consumers to repurchase the same brand.

Metric; a metric is a performance measure that should be precise, consistent and comprehensive and is reviewed regularly by top management.

1.7 Assumptions

The following assumptions have been made regarding the study

- Respondents have sufficient knowledge to provide insights into questions
- FMCG markets employs the concept of brand tracking to help organise the session.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This study is grounded on a number of theoretical orientations, contextual expositions of relevant terms and various models upon which the role of brand tracking metrics can be viewed. To better appreciate the scope of the study, this chapter sets up an in-depth theoretical framework for investigation on the degree and prevalence of the use of brand tracking metrics in the business world today.

This section contains a literature review on key themes of relevance to the study. In addition, the research covers definitions of concepts that are most commonly used as well as discusses important measures which are used by organisations to monitor the performance of a brand on an on-going basis. This section further describes various models that have been developed to explain the sources and identify the outcomes of building a strong brand. This chapter concludes with dashboards that organisations can customise in order to assist managers to report and manage these metrics.

2.2. Brands and Branding

The American Marketing Association (2007) definition of a **brand** is a term, name, symbol, sign or design which is used for the identification of goods of one or many sellers in order to differentiate from competitor brands. Kapferer (1997) defines the **brand** as a sign or symbol which mainly functions to show the hidden characters or qualities of a particular product. While it is agreeable that intangible assets form the basis of organisations worth, brand is the greatest composition of those intangible assets (Perrey and Riesenbeck 2009). It is therefore surprising that only a small percentage of firms have always been in a position to consistently evaluate the impact of their brand and monitor their measurement criteria. There is no contention of the fact that brands have always been regarded as assessors and the determining factor of choice in Business-to-Consumer (B2C) (Rajagapol, 2009). On the other hand, however, there is the common notion that places great emphasis on other factors of consumer choice, and denying due consideration to 'brand.' This is where one notices the gap and misconceptions of the role of brands (Rajagapol, 2007; Perrey & Riesenbeck, 2009). Inherently, accepting that the management of brands is tailored on distinguishing goods and services represented by brands, should amount to accepting its importance in B2C, especially in regard to the customers' ability to differentiate this. It therefore means that the best attraction point is not necessarily in pricing but on the most convincing value and other attributes of a product (WMB & Associates Statistical Services).

According to Kotler (2000:396) **branding** is defined as "the name, associated with one or more items in the product line, which are used to identify the source of character of the item". Aaker (1997) has a more traditional view on branding which explains that branding can be a representation of the character traits of the people associated with a brand. Hence branding a commodity is the naming of that commodity using the stakeholders' personality or character trait. In this way, brand personality as the direct way of naming a product as the character trait of those involved is directly transferred to the brand. (Aaker, 1997; McCracken, 1989). This is based on the perception that a brand and human personality trait is similar (Epstein, 1977).

Brands and branding are therefore an important topic under consideration as marketers invest heavily in marketing initiatives to create brand value and build brand equity. Branding is to be considered as one of the important factors in delivering positive growth (Hunt and Morgan, 1995).

2.2.1. Brand Equity

In the past a brand served to identify a product and to separate it from its competitor however, the challenge for marketers is to create a strong and distinctive image (Kohli and Thakor, 1997). It is becoming increasingly challenging to manage brands in the current environment as consumers are highly aware, knowledgeable of how marketing programs work and is becoming more demanding in their expectations. The market is highly proliferated with a number of new brands thus increasing the level of competition. As a result of these challenges, marketers find themselves accountable to deliver returns on marketing investment. Brand equity therefore becomes an important marketing concept to elevate the importance of brands. Fundamentally, brand equity is made up of the differential effect that marketing has on a brand (Keller, 2008). Similarly, Farquhar (1989) adds that brand equity is the additional value which a particular brand endows to a product.

Since brand equity is a multi-faceted construct, measuring and reporting on the important facets can be challenging. It is therefore necessary for organisations to develop a brand metric dashboard and plot of these constructs on a regular basis. The management information presented in the dashboard should be utilised to refine and develop marketing programs that are necessary for building of brands (Aaker and Keller, 1990).

2.2.2. Creating Brand Equity

Keller (2008) proposes the brand value chain model in figure 1 to highlight how brand value is created.

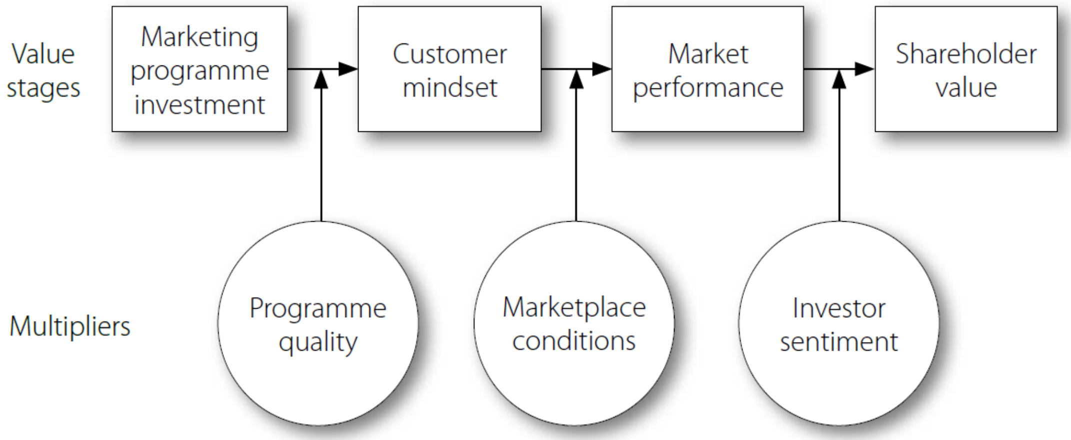

Figure 1: Brand Value Chain (*Keller, 2008:318***)**

Unpacking Keller's model, brand value is created through marketing programme investment in brand communications. The effectiveness of communication programmes are dependent on the perceived clarity, relevance, distinctiveness and consistency of the programme to its target audience. As changes in consumers' mindsets become evident through a mere change in awareness, association, attitudes, perceptions, images or experiences, this can create a shift in perceptions to the extent that it affects market performance.

Shareholder value is the final stage in the brand value chain and it depends on the investment sentiment multiplier in addition to future growth potential for the brand, the risk profile and contribution of the brand to the organisation (Keller, 2008).

The brand value chain provides organisations with the tools to set up measures to monitor and track the health of the brand (Bick, 2011).

2.3. Brand Equity Measures

Brand equity is a multidimensional construct (Mizik and Jacobson, 2005) with various components that make up brand equity.

Brand equity can be measured by understanding the various sources and outcomes of brand equity. The sources of brand equity includes the assessment of consumers' thoughts, feelings, images and perceptions of a brand and the outcomes include among others a price premium that can be placed on a product with strong brand equity (Bick, 2011).

Measuring the sources of brand equity involves capturing the emotional measures of how consumers feel and perceive brands. This approach measures aspects such as brand awareness and image and is skewed towards qualitative methods whilst outcome measures such as loyalty, price premium, market share and so on are focused on a quantitative approach.

Keller and Lehmann (2005) offer an alternative view for brand equity measurement which is broken down into 3 categories namely:

- Consumer-based measures;
- Product-market level outcomes and;

- Financial-market level outcomes

The sources and outcomes of brand equity have been thoroughly covered in this research discussing key aspects of awareness, association, loyalty, price premium, market share and so forth. In addition to equity measures there are also commercial models developed by research consultants which have been discussed.

2.4. Sources of Brand Equity – Customer-based

2.4.1. Brand Awareness

The FMCG market is diverse and companies are striving to maintain their market share and market capitalisation. To ensure their success, marketers are constantly evaluating their brands so that any expense driven brand is removed from the portfolio. To make this evaluation brand tracking metrics are used to scrutinise the brand on different dimensions. One of the dimensions includes awareness of the brand which is ability to recognise a brand at point of purchase or recall a brand where it is not present or visible (Aaker 1996; Keller 1998). Aaker (1991; 1996) further asserts top-of-mind, brand dominance, brand knowledge and brand opinion as higher levels of brand awareness.

Keller (2003:76) defines awareness as "the customers' ability to recall and recognise the brand as reflected by their ability to identify the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory".

Awareness of brand is the primary source of its success in the market and all other factors of success depend on this factor. It includes the recall and recognition of the brand i.e. Is the recall prompted or unprompted? As far as the competitive performance is concerned it distinguishes a brand from other brands and determines its vulnerability to the competitive actions (Low and Lamb, 2000).

2.4.2. Brand Loyalty

Brand equity as defined by Keller (1993) is the differential effect that brand knowledge has on purchase decision. Brand loyalty and the real worth of the brand have to be taken under consideration in order to study the behaviour and the strength of the brand and its impact on the market growth of particular brand (Aaker, 1996; Keller, 2003). Aaker (1991) asserts that brand loyalty is built over a period of time and defines loyalty as the attachment that a customer has towards a brand. Keller (1998) describes behavioural loyalty as the customers' commitment towards repeatedly purchasing a brand. Loyalty is the outcome of different parameters including brand worth, willingness, interest, standard, market share, pricing factors, influence, creditability, including its goodwill in the eyes of the customers to be accepted (Keller, 1993). It also includes the innovative factors like differentiation, uniqueness and admiration of the products by the customers (Keller 1993; Motameni and Shahrokhi 1998; Yoo and Donthu 2001; Barth, Clement, Foster, Pahud, and Riel, 2003; Kim *et al.,* 2003).

2.4.3. Brand Image

Brand equity is considered to be the key marketing asset and it is very important for the firm to have a look at the behaviour of the brand image and the brand association (Davis, 2000).

Aaker (1991) highlights that brand image creates value for consumers in a number of ways as it assists in differentiating a brand and providing positive or negative associations which helps consumers in their decision making process. Keller (1993:3) defines brand image as “perceptions about a brand as reflected by the brand associations held in consumers’ memory” and many researchers are in agreement (Newman 1957; Dichter 1985; Aaker 1991). Keller (1993) further notes that associations can vary in strength, favourability and uniqueness.

2.5. Outcomes of Brand Equity – Organisation-based

Research has shown the linkage and/or correlation between brand equity and shareholder value (Tolba and Hassan, 2009; Kim et al., 2003; Barth *et al*, 2003; Kerin and Sethuraman, 1998).

The following are outcomes which provide benefits for the firm. Keller (2008) highlights that outcomes add value to organisations in that it enhances the effectiveness of marketing initiatives with strong trade leverage to gain a competitive advantage.

There are brand equity models that help to identify the outcomes of developing a strong brand and help in providing a variety of measures of brand equity.

2.5.1. Brand Performance

Several authors have elaborated on the definition and benefits of brand equity (Keller 1998, 2002, 2008; Aaker 1991; Barth *et al* 1998, Kim *et al* 2003) however, limited studies exist on the relationship between brand equity and performance (Baldauf *et al*, 2003).

Baldauf *et al* (2003) further elaborate that brand equity improves the value to both the customer and organisation in that consumers feel reassured about product knowledge and thus branding becomes a tool for competitive advantage enhancing performance. Brands which hold a strong position in the minds of consumers have a competitive advantage in the market place and this can function as a predictor of a company's earning potential (Wood, 2000).

Awareness remains a key component to drive purchase decisions as consumers are more likely to invest in recognised brands and thus will drive sales and profitability for an organisation (Baldauf *et al*, 2003). Consumers who show commitment to a brand are less likely to switch to competitor brands if satisfied with a product offering. This loyalty drives repeat purchase and improves market share position. Keller (1993) posited that marketers must first understand what the brand stands for in the minds of consumers as this determines brand market performance.

2.5.2. Brand Associations

Farquhar (1989) showed that brand association and the valuation of the brand are very important to study for the worth of the brand and to make successful and appropriate strategies for the brand. According to Aaker (1991) brand associations represent the basis for a purchase decision which then leads to brand loyalty depending on how consumers' thought, felt, perceived and experienced a brand. Chen (2001) categorises brand associations into product and organisational associations. Product associations are broken into functional (tangible) and non-functional (intangible) associations that consumers link to a brand and organisational associations are linked to the company's ability to produce and deliver the product in a way that meets societies obligations (Chen, 2001).

Brand equity is considered to be the key marketing asset. It is very important for the firm to keep track of the brand image and the brand association. Brand associations are also dependent upon the brand strength, its accessibility, availability, and current market share.

2.5.3. Perceived Quality

Perceived quality refers to the manner in which consumers perceived a product to be superior over other available alternatives. Lasser *et al* (1995) suggests that a brands perceived quality from a consumer perspective will be reflective in its performance therefore it is critical not to lose brand equity by launching substandard products. Aaker (1991:85) also defines perceived quality as "the customers' perceptions of the overall quality or superiority of a product or service with respect to its intended purpose relative to alternatives." Perceived quality is the customer's judgement about a product's overall excellence (Zeithaml, 1988) and is influenced by personal experiences, needs and consumption situations. As customers develop long term relationship with brands, consumers begin to gain high quality perceptions thus resulting in subsequent repurchases. Yoo *et al* (2000) asserts that brand equity will increase when customers' perceive a brand as a quality product.

In contrast to this view, Anselmsson *et al* (2007) states that high quality does not necessarily contribute to brand equity since consumers use quality attributes in order to associate quality.

Service organisations are most vulnerable to changes in perceived quality in that a negative service encounter negatively affects the corporate image of an organisation. Quality perceptions are therefore formed to make an overall assessment of a product or service.

In summary, Aaker (1991) provides 5 main constructs to brand equity: awareness, associations, perceived quality, brand loyalty and other proprietary assets. Keller (1993) focuses on customer based brand equity being measured through knowledge, familiarity and consumers' preferences, perception and behaviour towards a brand and the research further classified brand equity measurement into sources and outcomes (Bick, 2011) as brand equity is a multi-dimensional construct (Mizik and Jacobson, 2005).

2.6. Commercial Modelling of Brand Equity

Brand equity is the influence that brand knowledge has on the purchase decision. Brand tracking metrics basically measures this equity and unveils the ways to improve it. It is a useful tool to measure comparative strength of the brand and provides management with potential ways to overcome competition. Brand tracking metrics provide continuous feedback and input from the customers to the company. As competition starts to define the success and failure stories of the market so this study begins to gain more importance (Kaplan and Norton, 1992). Brand tracking metrics evaluate the brand on different but important dimensions. There are various brand equity models highlighting different sources and outcomes for measuring brand equity.

2.6.1. Brandz/Brand Dynamics

The Brand Dynamics pyramid is one of the frameworks used for establishing the relative share of wallet that a consumer has with a brand. There are 5 levels within this framework and each level indicates the consumers purchase loyalty. These 5 levels are bonding, advantage, performance, relevance and presence as represented in Figure 2, where bonding reflects a strong relationship and has the highest share of a consumers' wallet and presence being the lowest (Bick, 2011). At the bonding level, a consumer has a very strong emotional attachment to a brand and starts to exclude most other brands with a similar offering.

Coca-Cola uses *Brand Love Score* which is indicates the emotional connection to the brand combined with affinity measures to derive a *Brand Power or Brand Momentum* score (Bick, 2011).

Other metrics are also used by marketing research agencies such as *Brand Voltage* which monitors the number of loyal consumers to a brand. The high brand voltage number is indicative of a higher brand worth and thus a stronger share position in the market (Bick, 2011).

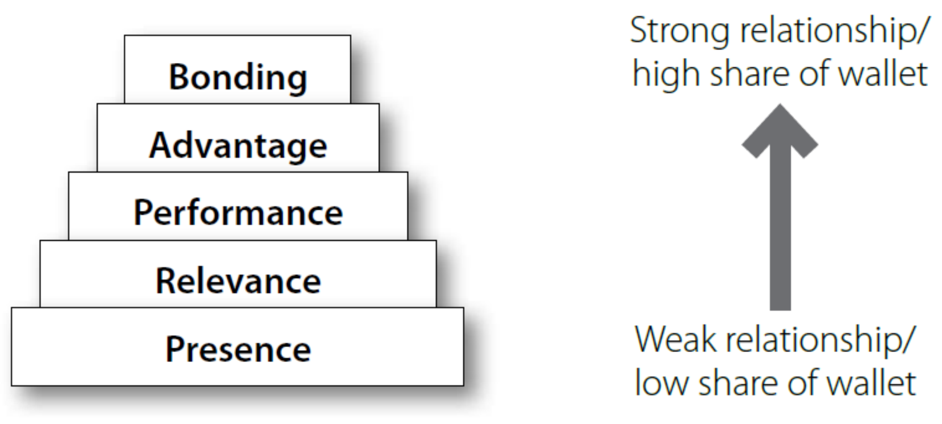

Figure 2: Millward Brown's Brand Dynamics Pyramid
(*http://www.brandz.com; http://www.millwardbrown.com*)

Level 1: Presence

At this level, the customer has a slight awareness of the organisation's brand but has little emotional connection to the brand.

Level 2: Relevance

At this level, customers begin to consider whether the brand meets their preferences and start to compare the organisation's brand in relation to value the brand provides.

Level 3: Performance

Customers begin to compare the brand with others at this level to assess if it matches up to its potential. Customers also start associating with the organisation's brand with a particular identity, and start to recognize and associate with the brand. The organisation's brand is already short listed on the customer's prospective list of favourite brands.

Level 4: Advantage

Customers have made a comparison with other competitor brands, and have resolved that there is a distinctive benefit in using the brand, compared with competitor brands. Customers are starting to associate with the brand in a more profound way, by identifying with the brand in a more personal and emotional way.

Level 5: Bonding

Customers have formed a bond with the organisation's brand, after having determined that the advantage, performance and cost are satisfactory to them. There is a deep emotional attachment to the brand, and the brand is now an integral part of the customer. This deep attachment encourages them to favour this brand over the competitors'. At this point, customers are likely to vocally advocate for the brand, thus increasing brand awareness. The primary objective for organisations is to get as many consumers as possible to the top levels of the pyramid as this is where consumers are willing to spend more on a brand.

This model is chosen due to previous experience and its credibility. It is also tailored to suit unique company brand needs.

It is important in assessing the loyalty a customer has to an organisation’s brand and in tracking the impact of an organisation's communication strategy on brand equity. Additionally, it allows for a consistent and standardised approach in global brands, thus enhancing easy tracking of the brands across cultures and geographies. However, there is the limitation of obtaining entirely correct information.

2.6.2. Brand Asset Valuator (BAV)

The BAV model developed by Young and Rubicam is a well-known model used worldwide. There are 4 main pillars within this model that have been described namely; Energised differentiation, Relevance, Esteem and knowledge and combined provide two categories of Brand Strength and Brand Stature respectively. Brand strength as indicated in the model reflects future financial performance whilst brand stature indicates current performance in terms of market share. Brands graduate in a clockwise direction starting from the bottom left quadrant where it has been shown that a brand with high strength holds significant value in the market.

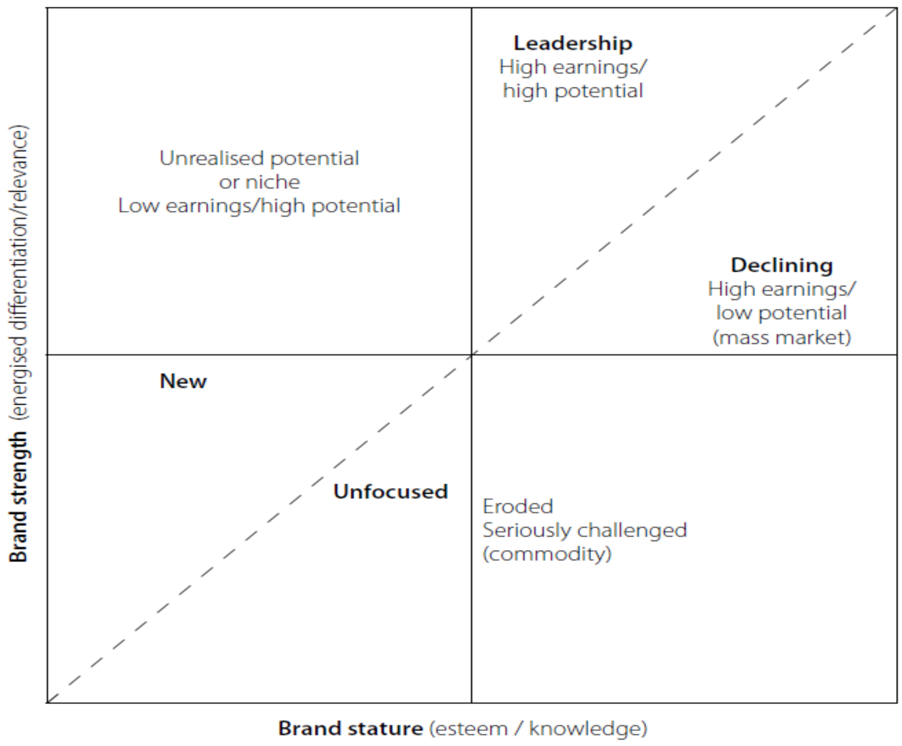

Figure 3: Brand Asset Valuator PowerGrid

(<u>*http://www.brandassetconsulting.com*</u>)

BAV gauges consumer perceptions on brand health, and imagery, as well as evaluating brand usage, consideration and loyalty. BAV measures brands in the brandscape relative to all other brands in each market and the range of brand health dimensions that really matter. The model is developmental, and identifies clear patterns and trends that reflect growth, decay and recovery.

Four pillars form the foundation of the BAV model, and brands develop them in a very specific order:

Energised differentiation, Relevance, Esteem and Knowledge.

- *Energised differentiation,* a key measure, captures a brand's unique meaning and direction in the marketplace. It is the basis on which people choose a brand. An energised brand has momentum and can adapt to changing consumer needs, allowing it to have more sustainable differentiation and attract more business. Brands with Energised differentiation:

- are perceived as pioneers
- have greater badge association
- have more intangible value on average than their peers
- create greater pricing power
- drive stronger brand loyalty and commitment.

- *Relevance* corresponds to a brand's ability to be meaningful and have personal appropriateness in the lives of consumers. In a sense, it is cost-of-entry to usage of a brand, relating to market penetration and staying power.
- *Esteem* measures the extent to which consumers like a brand and hold it in high regard. Esteem captures how well a brand fulfils its implied or overtly stated consumer promise, resulting in repeated usage.
- *Knowledge* represents the extent that consumers understand and have internalised what a brand stands for. It embodies the end result of all of the marketing and communications efforts and experiences consumers have had with a brand.

It is not enough to look at each brand pillar in isolation; it is the relationships among the pillars that tell a story about health.

Energised differentiation and Relevance make up Energised brand Strength; Esteem and Knowledge explain Brand stature.

Energised brand strength captures future growth value and momentum in brands, while Brand stature reflects current perceived performance – what the brand has accomplished up to now.

The BAV model was developed to give information to enable organisations to strengthen their decision-making practices in marketing. It measures brand value along relevance and differentiation to maximise brand strength, and, along knowledge and esteem to compute brand stature. The BAV indicates how a brand gains and loses strength, depending on the strength of brand perception among consumers. Consequently, this model is highly effective in assessing the global performance of different brands.

2.6.3. The Conversion Model

The Conversion Model is used to assess the commitment levels of their customers to a particular brand. This model is used by companies who want to track the loyalty of their consumers who use their brand as well as non-users who prefer to use competitor brands; those who are not brand loyal as well as those consumers who switch among brands. It further helps companies understand to what extent available customers can be converted into the category. In essence this model highlights that there are users and non-users of a brand. Within each of these segments there is a level of committed and uncommitted users and companies strive towards having more users than non-users.

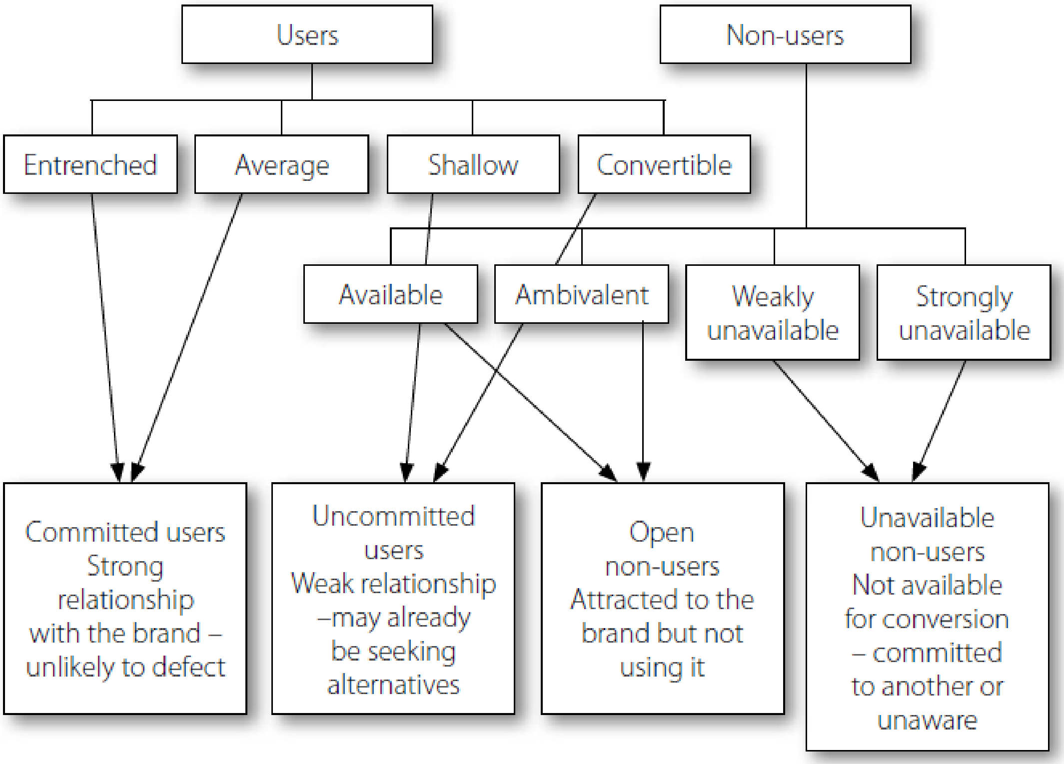

Figure 4: Conversion Model TNS Global

(*http://www.research-int.com*; *http://www.tnsglobal.com*)

The TNS Conversion model aids in tracking the loyalty of their consumers, as well as non-users who prefer competitor’s brands. It allows companies to strategise ways to convert non-users into users. With this model, organisations strive to have more users than non-users.

It is important for that organisation to track consumers’ commitment measures, and it provides an in-depth understanding of the levels at which customers are prepared to buy an organisation's brands. It allows the development of appropriate communication and marketing strategies. Additionally, this model is used as the dashboard to building the brand and helping the organisation to guide all effort strategically. It is thorough in achieving objectives and showing integration and is effective in indicating how the brand is tracking, as well as, the market impact in shifting from brand to brand.

A marketer therefore needs to either focus on overcoming obstacles to trial and adoption or reinforcing drivers of adoption and entrenchment. By looking at share as a function of penetration and frequency, marketers gain direction of their strengths and vulnerabilities relative to competitors. From this marketers can build on areas of weakness, focus on quick wins (target audience, region) and build long and short term plans for the brand. However, it is expensive and limited by sample size thus survey error is a factor.

2.6.4. The Prophet Model

The Prophet model takes a view of “who” the brand is and “what” it provides to the target consumer in terms of functional, emotional benefits and perceived value it offers to consumers.

This model is used with other tracking measures which track differentiation in order to develop effective marketing strategies to compete in the dynamic marketplace.

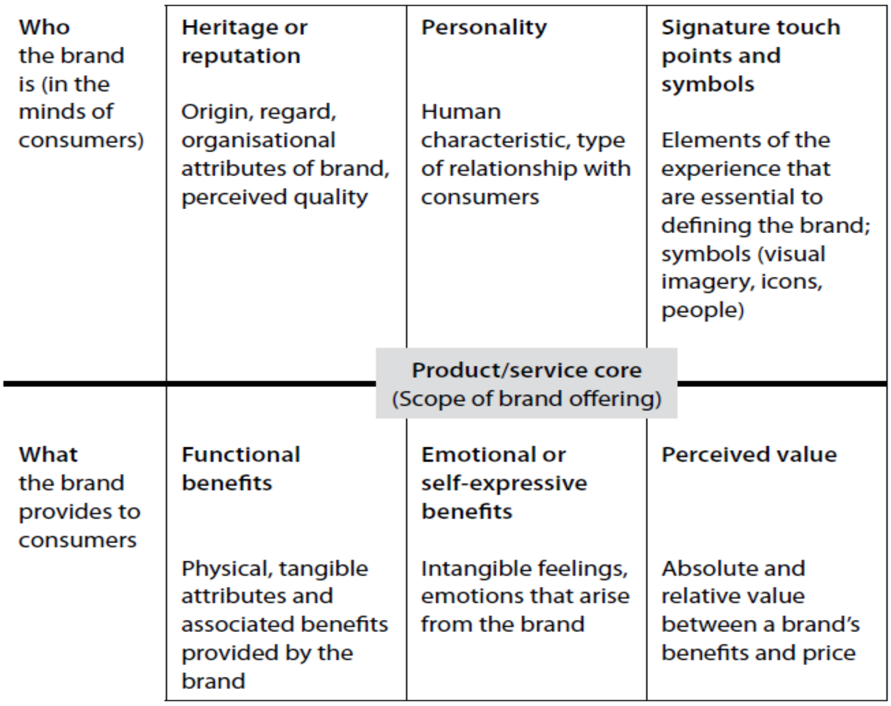

Figure 5: Prophet's Brand Equity Model

Source: Dunn and Halsall (2009)

2.6.5. Aaker's Top Ten measures of brand equity

Aaker (1996) has used ten measures categorised to track brand equity. This model operationalises brand equity into ten constructs covering both consumer and market measures. This model provides seven consumer based constructs and three market based constructs which many equity models do not cover.

Table 1: Aaker's Top Ten measures of Brand Equity

Loyalty measures	1. Price premium 2. Satisfaction / loyalty
Perceived quality / Leadership measures	3. Perceived quality 4. Leadership / popularity
Associations / Differentiation measures	5. Perceived value 6. Brand personality 7. Organisational associations
Awareness measures	8. Brand awareness
Market behaviour measures	9. Market share 10. Market price and distribution coverage

(Source: *Aaker, 1996***)**

There is a vast amount of research in different kinds of measures of brand equity however, there are commonalities in all models that use one or more dimensions of the Aaker model. (Keller 1993; Motameni and Shahrokhi 1998; Yoo and Donthu 2001; Kim et al. 2003). Therefore, the consumer-based brand equity is an asset of a few dimensions namely; brand awareness, brand associations including image, perceived quality, brand loyalty and brand performance.

2.6.6. Conclusion

Whilst each model takes a customised approach towards tracking brand equity, there are some common measures used across the models. Brand equity metrics are expected to reflect a consumers' preference for a brand and the challenge for marketers has been to determine which constructs to prioritise to improve awareness, preference and ultimately brand performance.

The table below summarises experts' views on leading brand equity measures.

Table 2: Experts best ways to measure brand equity

RECOMMENDED/APPLIED BRAND EQUITY MEASURES											
	Aaker	**Keller**	**Y&R**	**Equitrend**	**Interbrand**		**Aaker**	**Keller**	**Y&R**	**Equitrend**	**Interbrand**
Associations		X	X			Market Trend					X
Awareness	X	X				Marketing Support					X
Differentiation	X		X			Perceived Quality	X	X		XX	
Distribution Coverage	X					Perceived Value	X				
Esteem			X			Personality	X		X		
International					X	Price Premium	XX				
Knowledge			X			Relevance			X		
Leadership	X				XX	Salience				X	
Legal Protection					X	User Satisfaction/Loyalty	X	X		XX	
Market Share	X					Stability					X

Source: Aaker (1996), Keller (2003)

Whilst most experts on the subject of brand equity conclude that brand equity measures should be uniquely designed for each organisation and no single measure alone is sufficient to gain a holistic understanding of brand health, experts have indicated the measures which are most promising however, there is little agreement on what those measures should be. Aaker, Keller, Equitrend, Interbrand and Y&R each offer measures which are foundational however, it can be summarised that the greatest consistency appears in areas of Loyalty, Perceived quality, Brand associations and Awareness (Reynolds and Phillips, 2005).

Aaker (1996) recommends market share as an equity measure however, it is noted that share indicators change depending on short term strategies and this could undermine the equity of the brand thus making share a limited measure of brand equity.

2.7. Research Propositions

The prior research leads to the following research propositions

Research Proposition 1

Brand Tracking metrics include:

- Brand Awareness
- Brand Associations including image
- Brand Loyalty
- Brand Performance
- Perceived Quality

Aaker (1991, 1996); Keller (1993, 1998, 2003, 2008); Ambler (2003); Chen (2001); Kim, *et al* (2003); Davis (2000) found the above to be key metrics to examine how much equity a brand has in the market place as building strong equity is useful for differentiating a product from its competitor in the long term through well designed marketing activities.

Research Proposition 2

Brand tracking models used most commonly by FMCG companies in SA are:

- Brandz/Brand Dynamics
- Brand Asset Valuator (BAV)
- Conversion Model

While there are many models available for different purposes, the literature and summary of Table 2 would indicate that the above are the most commonly used in practice.

Conclusion of Literature Review

Branding has long been used as an identity of the product but the advanced usage of it is the product of recent times. Now brand is more than just an identity of the product, it is now a distinguishing and an associative factor. In the contemporary age, brand is recognised as an asset of the company and money spent in this regard is considered as an investment rather than an expense. With this development in the discipline of brand management, there surfaced a need for an instrument that would help companies to measure its effectiveness. Thus, brand tracking metrics are used to measure brand on different dimensions.

Broadly speaking, the primary advantage of measuring brand metric is its usefulness in connecting brand management and success of businesses. As a business management strategy, brand measurement is more useful when it is seen and crafted as a long term strategy and not a short-lived measure. This means that brand-metric must be structured in a continued sequence. Specifically, brand measurement is important for companies understanding of brands performance not necessarily in line with the traditional expectations of the consumer. Further, it determines the degree of performance relative to other competitive sets of brands. Beyond this, it is crucial for the identification and the establishment of areas which need to be redressed so that it has economic viability.

CHAPTER 3: RESEARCH METHODOLOGY

This chapter of the research proposal explains the research design used to gather information that would be most significant whilst minimising expenditures, time and effort (Khanzode, 2004).

This chapter relates to a justified and very informed account of the manner in which the research has been approached. Various epistemological and ontological issues that are related to the research are provided. The chapter therefore addresses the actual methodologies used in the research process from its time of inception to the end. The manner in which data was collected and analysed to reach a reliable conclusion is discussed (Wayne and Stuart, 2004). This was done with an in-depth reflection of the research design and other related ethical issues (Moloney, 2006). The research methods and the various research methodologies together with the methodologies justification of the instruments and methods and how the correspondents were chosen is also discussed.

3.1 Research methodology

The scope of the research is limited to a qualitative evaluation. Qualitative research was conducted to get better responses of the people about the uses of brand tracking metrics in different companies and models in FMCG consumer organisations in South Africa. The idea behind qualitative research is to purposefully select participants or sites that best help to understand the problem (Creswell 2003: 185). Leedy and Ormrod (2001:101) argue that the intent of qualitative research is "to answer questions about the complex nature of phenomena, often with the purpose of describing and understanding the phenomena from the participants' point of view".

Considering the characteristics of a qualitative paradigm (Leedy and Ormrod 2001), a qualitative approach is proposed for several reasons:

a. the purpose of the research is to describe and explore,

b. the variables are unknown,

c. the research is context bound and encompass personal views,

d. the sample size is small, and

e. in-depth semi-structured interviews are to be used to collect data.

The advantages of in-depth qualitative research on relatively small samples are well documented in the social science literature when the intention is to generate information about complex social dynamics which cannot be accessed using quantitative survey questionnaires (Miles and Huberman, 1994). The views presented for qualitative research are affirmed and are aligned to the context of research. Respondents were asked questions about the usage of brand tracking matrices, models in FMCG's organisations and the challenges evolved from these.

3.2 Research Design

Blumberg, Cooper & Schindler (2005) suggest that if research problems within a particular discipline have been crystallised to a “lesser extent”, then the research takes the form an exploratory study; and if research problems within a particular discipline have been crystallised to a “greater extent”, then the research takes the form a formal study. It has been concluded that an exploratory study was conducted to better understand what brand tracking metrics are used by each of the FMCG companies.

Groenewald (1986) proposes that the qualitative design takes the form of a content analysis. Leedy & Ormrod (2001:155) describes content analysis as “a detailed and systematic examination of the contents of a particular body of material for the purpose of identifying patterns, themes, or biases”. In this research the data analysis has been carried out on the transcripts of the interviews which took place.

The method of research proposed for this study is semi-structured in-depth interviews. Semi-structured in-depth interviews are appropriate for research problems which require in-depth discussion and probing (Pirow, 1990). In interviews, the questions involve unstructured and generally open-ended questions to elicit views and opinions from the participants (Creswell, 2003:188). The semi-structured interview usually revolves around a few central questions (Leedy and Ormrod, 2001; Creswell 2003:188).

Leedy and Ormrod (2001) suggest that the interviews are semi-structured and Cresswell (2003) suggests that the interviews are unstructured.

Advantages of using in-depth semi-structured interviews for data collection include:

- respondents can “provide historical information” (Creswell 1994:150; Creswell 2003:186; Groenewald 1986),
- allows researcher “control” over both the questions asked and the environment (Pirow 1990; Creswell 1994; Creswell 2003:186),
- the researcher can shift focus as new data comes to light (Leedy and Ormrod 2001:158),
- it provides a large amount of useful information (Leedy and Ormrod 2001),
- it is flexible and enables the researcher to prompt and probe as necessary (Pirow 1990),
- it enables the researcher to take cognisance of non-verbal behaviour (Pirow, 1990).

In-depth semi-structured interviews have many advantages but it is also important to take cognisance of the limitations of the method which are as follows (Creswell, 2003:186):

- “provides ‘indirect’ information filtered through the views of interviewees”,
- “provides information in a designated ‘place’ rather than the natural field setting”,
- “researcher’s presence may bias responses”,

- “people are not equally articulate and perceptive”.

The limitations to conducting in-depth qualitative research were that there was real difficulty in meeting with the managers. Appointments had to be made in advance and even then, it would last for short durations due to their busy schedules. Some of the managers could not release some vital information that would have been beneficial to the research, due to company policies and interests.

The interview guide was focused on understanding the use of brand equity models used by FMCG organisations as well as a discussion on the key metrics selected to track and measure the health of the organisations brands on an on-going basis.

The following attempts have been made to mitigate some of these limitations by:

- confirming with the respondent the intended meaning of their response when in doubt,
- by being courteous to the participant, and
- by taking cognisance of the limitations during the data collection process

3.3 Population and sample

3.3.1 Population

The population includes all the FMCG's companies of South Africa.

Respondents include all those involved in brand management.

A large number /collection of individuals are termed as population. The entire population was not tested due to its large size. The sample has been drawn from the population.

3.3.2 Sample and Sampling method

This research utilises the convenience sampling method to select participants based on the participants' knowledge and experience in the area of research. Kothari (1985:73) refers to convenience sampling as a qualitative method whereby elements from a population are selected for inclusion in a sample, "based on the ease of access".

The target sample size was of thirty (30) participants, there is a considerable network of marketing professionals within the FMCG industry that can be targeted as participants for the proposed research. The sample of respondents included assistant brand managers, brand managers, marketing managers, marketing executives and other marketing and business professionals who have intimate understanding and experience in the usage of brand tracking metrics and models in FMCG consumer organisations. No attempts have been made to select respondents randomly (Creswell, 2003:185) due to the risk that respondents lack the intimate knowledge and experience required for the research problem. The sample selection has been crafted in such a manner where participants with a strong marketing background were chosen to best help in understanding the research problem (Creswell, 2003).

The final sample of 26 (twenty six) respondents were more than adequately sufficient to generate data to answer the research propositions.

Respondents were drawn as follows:

Table 3: Profile of respondents

Description of respondent	Company Name	Number to be sampled
Assistant Brand Manager	Tigerbrands, Reckitt Benckiser, SABMiller, Procter & Gamble, Unilever, Colgate Palmolive, Kraftfoods	3
Brand Managers	Tigerbrands, Reckitt Benckiser, SABMiller, Procter & Gamble, Unilever, Colgate Palmolive, Kraftfoods	7
Marketing Managers	Tigerbrands, Reckitt Benckiser, SABMiller, Procter & Gamble, Unilever, Colgate Palmolive, Kraftfoods	9
Marketing Directors/CEO	Brands In Trade, National Brands, TNS Research International	5
Consumer Insight Managers	Tigerbrands, Yum brands	2

For the purpose of generation of expert information, the above nominated respondent types and representation of companies is considered to be sufficient (Creswell, 2003:196).

3.4 The research instrument

Firstly, a letter was sent to each potential respondent as shown in appendix A. One-to-one semi-structured interviews have been performed in this research to collect data directly from the individuals. This technique was helpful for interaction with the respondents and desired questions were asked as per the actual research instrument and interview questions as presented in appendix B. The interviews lasted no longer than one hour.

3.5 Procedure for data collection

3.5.1 Semi-structured Interviews

Primary data was collected in the form of semi-structured interviews. The semi-structured nature of interviews provided flexibility in the approach to use probing questions to further elicit the necessary information for the proposed research (Kothari, 1985). Kothari (1985:121) cautions that the research interview procedure must "ensure that this flexibility does not result in a lack of comparability of one interview with another."

The in-depth semi-structured interviews took place at the site of the participant (Creswell, 2003:181). This selected venue provided the platform to gain a feel for the place and get involved with the experiences of the respondent (Creswell, 2003:181). Each interview was digitally recorded and transcribed thereafter. An interview protocol was recommended "for recording information during a qualitative interview" by (Creswell, 2003:190) and is presented in Appendix A. Two physical digital electronic devices were used to record the interview process to avoid equipment failure and was tested prior to each interview. The use of reliable and redundant electronic recording equipment allowed for deeper focus on the non verbal communication style of the respondent as well as to think clearly and probe more effectively gaining maximum value from the interview session.

3.6 Data analysis and interpretation

The data analysis activity took place concurrently with the collection and interpretation of the data, and the writing of the report. This is different to quantitative research where the process is linear (Creswell, 1994).

Creswell (2005:191) provides 6 generic steps for data analysis:

Step 1: "Organise and prepare the data for analysis".

Step 2: "Read through all the data. Get a general sense of the information and its overall meaning."

Step 3: "Begin detailed analysis with a coding process".

Step 4: "Use the coding process to generate a description of the setting or people as well as categories or themes for analysis".

Step 5: “Use a narrative passage to convey the findings of the analysis”.

Step 6: “Make an interpretation or meaning of the data. What were the lessons learnt?”

The analysis and interpretation does not include numbers or statistics used in quantitative research.

Data was concluded into a refined form and formed part of the analysis of the study about FMCG organisations in South Africa. This analysis is termed as thematic analysis (Alan, 2009). The data gathered from the various respondents was analysed and themes from the recorded interviews were examined in order to compile the results for this research.

Thematic analysis has the following benefits (Alan, 2009);

- It is a very common method of the qualitative analysis. As a phenomenon it has a comprehensive attention.

- There is no dependence upon the specialised theory in thematic analysis as other qualitative analysis does. As a result, this analysis is accessible in understanding more about the facts and figures of the study and in understanding the crux of the relevant study.

- It is easy to identify the limited number of themes from the study. So it created the main crux of the study. This shows the best relationship among the variables and the main problem (Singh, 2007).

- The familiarisation of the data is very important in thematic analysis. So it keeps the data according to the results. The appropriate result could not be obtained if the data gathered did not correspond to the requirements of this research study.

- The data has been coded in familiarisation to help in obtaining the best results and to approach the theme of the study.
- At every stage of the research there was the ability to change the analysis to get the main crux and theme of the study if needed.
- Coding helps to find the theme of the study.
- For getting the best solution to find the themes of the study, the codes were re written in order to see it in many different ways.

Subjective analysis has been used to interpret the data presented since the methodology is qualitative in nature.

3.7 Limitations of the study

The main limitations of the study were the small sample size and some of the respondents did not have the necessary experience. Further, this study is not generalisable to the population because of the small sample size although, sufficient for gaining insights as per qualitative, exploratory research.

3.8 Validity and reliability

A measuring instrument or technique is said to be reliable if it provides consistent results (Kothari, 1985). Kothari (1985) states that consistency can be achieved if one standardises the conditions under which measurement occurs.

Validity is seen as the strength of qualitative research but accuracy from the standpoint of the individual conducting the interview and the respondent (Creswell, 2003:195).

3.8.1 External validity

External validity of a research defines the generalisation of a research findings, that is, how effective are the results from the sample to the whole population and from one laboratory setting to another. Campbell (1963) presented an agreed definition of external validity that external validity deals with the matter of generalisation, to what extent results from a sample can be applied to the whole population and to what extent change in setting validates the results.

External validity is the procedure of investigating the findings and questioning whether any other feasible causal relationship exists. It explains how experimental design will be structured. In this study about FMCG organisations and brand tracking matrices, research was designed according to the main problem, so it gave convenient results of the findings.

3.8.2 Internal validity

It is important to define the cause and effect of a relationship in the research. This causal relationship is defined by internal validity. Validity has been maximised through a structured discussion guide and the semi structured questionnaire. To make the internal validity strong, research assumed some settings to be effective.

3.8.3 Reliability

Reliability is termed as the consistent results from the semi-structured questionnaire for interview or interview discussion guide. The results must be repeatable; the understanding must be the same under parallel circumstances/conditions. This confirms that the proposition is more acceptable.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

This chapter summarises the key findings of the research results. Results obtained from the semi-structured interviews with the various respondents in key leadership positions within large established South African FMCG companies has been presented in a tabular form. The following chapter will provide a more in-depth analysis of the results.

4.2 Demographic profile of respondents

Due to the nature and competitiveness of the FMCG environment in SA, all respondents will remain anonymous for this study. However, this section will provide a representation of the sample demographics.

The demographics of the sample differed slightly in that a higher response rate and deeper insights were gained from people in a marketing manager role and higher. A total sample of 26 (twenty six) respondents were interviewed and these respondents are spread over 11 large FMCG organisations within South Africa.

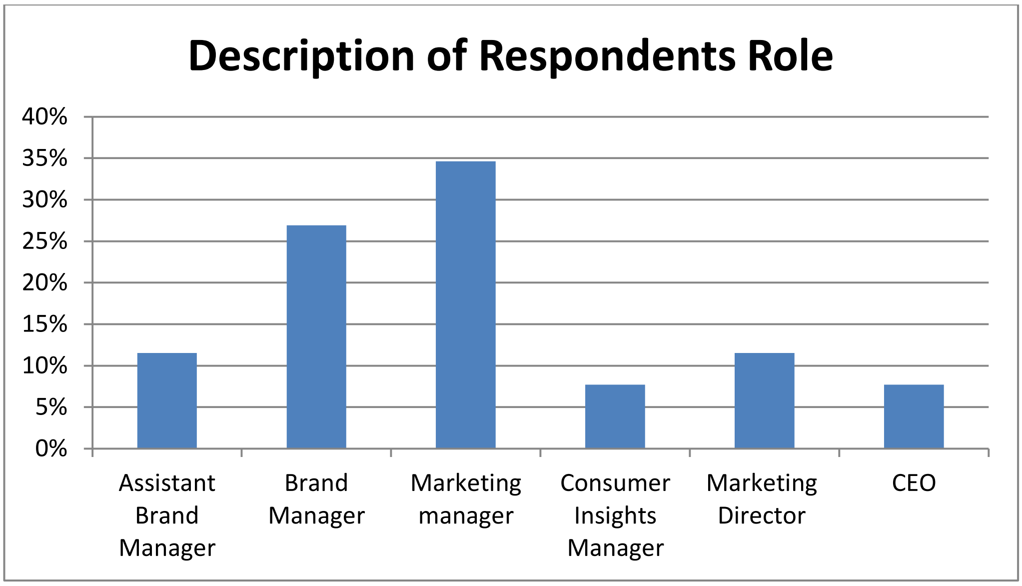

Figure 6: Demographic Breakdown of Sample by Role Profile

The sample distribution comprised mainly of marketing managers (9 respondents) followed brand managers (7), Assistant Brand managers (3), Marketing Directors (3), Consumer Insights managers (2) and lastly CEO (2).

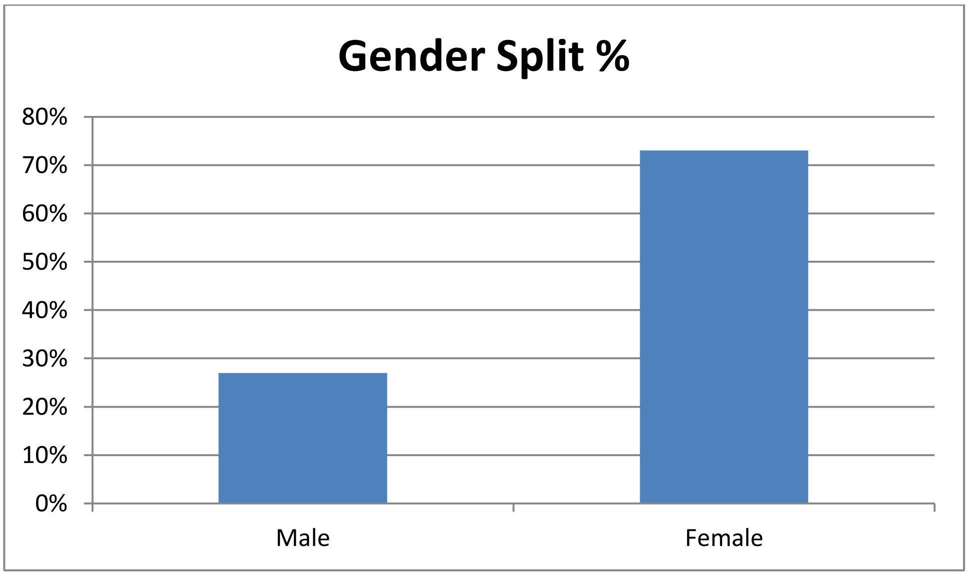

Figure 7: Demographic Breakdown of Sample by Gender

The male to female ratio is very interesting since the general perception is that there are a larger proportion of females in brand marketing than there are males and this is reflected in the sample despite the sample size being small.

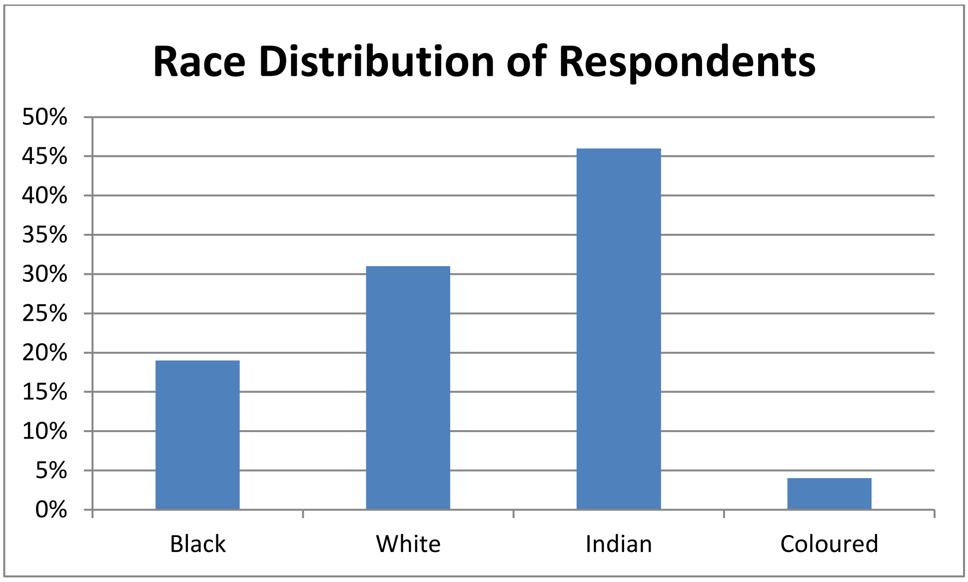

Figure 8: Demographic Breakdown of Sample by Race

The race distribution profiles indicate that the majority of the respondents (almost 50%) were Indian, followed by white (30%) and black constitutes (17%) with coloured being the balance of 4% of the sample.

The successful commencement, conduction and conclusion of this research was highly dependent on meeting with the respondents, (managers) interacting with them and interviewing them about their respective organisations. The 26 respondents interviewed were highly collaborative, and the information provided was highly beneficial in the successful completion of writing this report.

Additionally, new knowledge was obtained about the South African FMCG companies with regard to how organisational targets were set their, how brand and consumer organisations are studied, and how to achieve and attain goals in brand promotion and target sales. This knowledge was obtained with much help from the various marketing managers in these organisations, in addition to other important company officials.

The interview questions explored the usage of brand metrics and the themes and some comments are summarised in Table 4 below.

Table 4: Use of brand metrics in FMCG organisations in South Africa

• South African FMCG organisations largely use proprietary models to track and measure brand equity on an on-going basis, however, it was found that a single model alone is not sufficient to track and measure brand health. Organisations need to take a multi-dimensional approach to brand tracking. o Both qualitative and quantitative brand research as well as performance tracking should be used to measure equity and performance to ensure brand equity is growing over time.
• Brand metrics are used mostly to understand the brands' position, competitor brand positioning as well as consumers conversion along the [loyalty] funnel and this determines how marketing strategies need to be adapted. o The value derived from selecting the best metrics helps with decision making and keeps managers aligned to business objectives in order to have a clear view of the brand and competitors position in the market. The ultimate result is to entrench consumers and get the highest usage on a brand. o Metrics help managers understand where the brand is at present in

relation to its competitors and the research guides strategy development on how to move consumers along the conversion funnel towards loyalty.
• Most South African FMCG organisations' brand metrics are determined based on category and brand requirements. ○ Respondents made mention that metrics were either agreed upfront for the category by global head office for purposes of reporting consistency across markets or would change and be adapted depending on brand requirements. ○ A consistent standardised approach globally allows for easy tracking of global brands across geographies, cultures; deriving investment posture behind the right brands. ○ One respondent stated: "Some brands have strategically identified occasions they want to own and track, therefore it is difficult to take a 'one size fits all' approach when determining brand metrics. Other brands may want to track usage amongst their target consumer segment in key regions and against other brands."
• FMCG managers understand that there are benefits and limitations to using brand equity models however, managers are more positive about these models assisting them to build and grow a brand in a competitive environment in the long term. ○ Equity models help identify areas where commitment is lagging and the reasons for this. Brand managers are then better able to improve their proposition/messaging or marketing activities to address these weaknesses. ○ It also provides insight into areas of vulnerability to competitors as well as opportunities to further build and grow the brand with its target consumer.
• South African FMCG organisations still predominantly focus on outcome measures however, emotional elements are slowly taking the lead as an indicator to track the long term health of a brand.

- Outcomes are definite determinants of an organisation's profits, while emotional elements are just a complementary effect to outcomes. Most FMCG organisations focus on outcomes, as more emphasis is put on market share and loyalty data. Outcomes guide key strategic decisions and assist in prioritising sensitive areas that warrant immediate attention. Additionally, outcomes are indicators of the emotional attachment consumers have to the brand.
- Whilst this holds true, organisations are shifting their focus to emotional elements that drive performance as it gives the means to understand what is driving performance and what should be addressed to improve performance.

From the above, it can be concluded that managers have identified that brand equity is a multidimensional construct and the challenge for organisations is to be able to measure and report on the various dimensions which are important for that brand. Each organisations approach to selecting brand metrics are determined by the category or brand requirements. Brand metrics are largely used for the purposes of understanding a brands position, its competitor position as well as consumers' conversion along the funnel. Whilst brand equity models have benefits and limitations, managers recognize the need to use equity models to assist in growing a brand in a competitive market place.

4.3 Results pertaining to Research Proposition 1

Brand Tracking metrics include:

- *Brand Awareness*
- *Brand Associations including image*

- *Brand Loyalty*
- *Brand Performance*
- *Perceived Quality*

The table below summarises the findings of the research.

Table 5: Brand metrics adopted by South African FMCG organisations

Brand tracking metrics used	**Respondents**
Brand Awareness	100% of respondents indicated this to be a key metric when measuring brand health. Brand awareness is a key determinant in almost all brand equity models. Where a brand is considered new or niche, recognition is important and for a well-known established brand, the customers' ability to recall or have it top-of-mind is key.
Brand Associations **Incl Image**	100% of respondents indicated that brand associations are an important aspect of brand equity. Associations are built from the knowledge consumers receive about a brand after becoming aware of that brand. A

	customers' purchase decision is largely dependent on the associations made towards a brand, which is how they think, feel, perceive and experience the brand from both a tangible and intangible perspective.
Brand Loyalty	100% of respondents mentioned loyalty as a critical dimension in determining a brands equity. Loyalty is linked to the attachment that customers have towards a brand and the indicator of loyalty is determined by the number of repeat purchases made by the customer. Loyalty is closely linked to top-of-mind awareness and the ability to instantly recall a brand when deciding on a purchase decision. Consumers show lower levels of price sensitivity towards brands where high levels of loyalty exist.
Brand Performance	100% of respondents use brand performance as an indicator of brand equity. Respondents further elaborated that this used to be the only indicator/measure of brand equity in the past. Brand performance allows the organisation to assess how well marketing

	initiatives correlate to business performance and brand building over time. If brands do not meet the functional requirements, it will have low levels of brand equity and therefore cannot demand a price premium.
Perceived Quality	Respondents did not mention a customers perception towards the quality of the brand to be a key aspect of brand equity. Respondents did not believe that having a high quality product would translate to high brand equity.

In summary, most companies own a portfolio of brands, and metrics can be a valuable tool to measure and establish linkages between brand, marketing and organisational performance. Metrics are an integral part of the brand strategy process. Organisations measure brand equity in order to understand the drivers of brand strength, to support strategic decision-making, to evaluate the performance of the brand and the efficacy of marketing campaigns over time.

A number of other metrics were mentioned by the respondents which were key metrics to be tracked for their category/organisation. These additional metrics include:

- Brand Usage,
- Brand share of occasions,
- Competitor brand health and performance,
- Advertising communication awareness and brand power,
- Penetration and frequency,
- Image driver analysis,
- Share of Voice (SOV) vs Effective SOV,
- Total media awareness and usage,
- Link testing with consumer response to research
- Behavioural and attitudinal metrics

4.4 Results pertaining to Research Proposition 2

Brand tracking models used most commonly by FMCG companies in SA are:

- ❖ *Brandz/Brand Dynamics*
- ❖ *Brand Asset Valuator (BAV)*
- ❖ *Conversion Model*

The responses from interview questions 3, 5 and 7 are analysed and the following are the findings of the research.

Table 6: Most commonly used brand tracking models by South African FMCG organisations

Company	*Position held*	*Model Used at existing company*
Company A	Brand Manager	Millward Brown Brand Dynamics
Company B	Brand Manager	Millward Brown Brand Dynamics
Company B	Assistant Brand Manager	Millward Brown Brand Dynamics
Company C	Brand Manager	Millward Brown Brand Dynamics
Company D	Category Marketing manager	Own Model
Company E	Brand Manager	TNS Conversion Model
Company E	Brand Manager	TNS Conversion Model
Company E	Consumer Insights Manager	TNS Conversion Model
Company E	Brand Manager	TNS Conversion Model
Company F	Assistant Brand Manager	Millward Brown - a business model adapted to business unit needs
Company F	Marketing Manager	Millward Brown Brand Dynamics
Company F	Marketing Director	Millward Brown - a business model adapted to business unit needs
Company G	Brand Manager	Millward Brown Brand Dynamics
Company G	Marketing Manager	Millward Brown Brand Dynamics
Company H	Marketing Manager	TNS Conversion Model
Company H	Marketing Manager	TNS Conversion Model

Company H	General Marketing Manager	TNS Conversion Model
Company I	Marketing Manager	TNS Conversion Model
Company I	Marketing Manager	TNS Conversion Model
Company J	Marketing Manager	Millward Brown Brand Dynamics
Company J	Assistant Brand Manager	Millward Brown Brand Dynamics
Company J	Marketing Director	Millward Brown Brand Dynamics
Company K	Marketing Director	Millward Brown Brand Dynamics
Company L	Consumer Insights Manager	TNS Conversion Model
Company M	CEO	Millward Brown Brand Dynamics
Company N	Managing Director/CEO	TNS Conversion Model

In conclusion, managers have explained that brand equity tracking cannot take a 'one size fits all' approach as each business unit/category has its own set of objectives. Multinational companies however, are beginning to adopt a single model approach in order to have consistency in reporting. The two most common models used as above are Millward Brown Brand Dynamics and TNS Conversion Model.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Introduction

This chapter provides an in-depth analysis of the findings from the interviews conducted with the 26 respondents from the various FMCG organisations. The analysis of the results incorporates a comprehensive view of the presentation of the results, in response to the different questions posed to the respondents and the literature research.

5.2 Demographic profile of respondents

The sample demographics were slightly different, in that interviews were not conducted with individuals from marketing agencies however, kept the focus on large FMCG organisations. The 26 respondents have extensive FMCG marketing knowledge and experience. In many instances respondents have shared similar job roles, for the same companies, so as to confirm the validity of the feedback of current respondents in those roles. Therefore, there was no considerable disparity in the responses obtained from the respondents, though in different organisations.

5.3 Discussion pertaining to Research Proposition 1

Brand Tracking metrics include:

- *Brand Awareness*
- *Brand Associations including image*
- *Brand Loyalty*
- *Brand Performance*
- *Perceived Quality*

Aaker (1991, 1996); Keller (1993, 1998, 2003, 2008); Ambler (2003); Chen (2001); Kim, *et al* (2003); Davis (2000)

The literature review finds the above measures as the key metrics to consider in equity models to track and measure brand equity over time. The table below further summarises experts best ways to measure brand equity.

Table 7: Experts best ways to measure brand equity

RECOMMENDED/APPLIED BRAND EQUITY MEASURES											
	Aaker	**Keller**	**Y&R**	**Equitrend**	**Interbrand**		**Aaker**	**Keller**	**Y&R**	**Equitrend**	**Interbrand**
Associations		X	X			Market Trend					X
Awareness	X	X				Marketing Support					X
Differentiation	X		X			Perceived Quality	X	X		XX	
Distribution Coverage	X					Perceived Value	X				
Esteem			X			Personality	X		X		
International					X	Price Premium	XX				
Knowledge			X			Relevance			X		
Leadership	X				XX	Salience				X	
Legal Protection					X	User Satisfaction/Loyalty	X	X		XX	
Market Share	X					Stability					X

Source: Aaker (1996), Keller (2003)

The responses received from respondents indicate that FMCG organisations in South Africa consider the above metrics as key indicators for measuring brand equity with the exception of perceived quality.

The results therefore support the literature cited earlier that key metrics include brand awareness, brand loyalty, brand associations including image and brand performance. The literature further indicated that perceived quality does not necessarily contribute to brand equity and this was evident in the results obtained from respondents.

Respondents further indicated that there are various methods in which to collect and analyse data and it is preferred that brand tracking research should be conducted with existing customers as well as former and prospective customers. In doing so, managers are able to gain a more complete representation of the equity the brand holds. The data gathered from the brand tracking research studies should inform strategic planning and other critical business decisions. The limitation is that the research isn’t longitudinal i.e. it does not track the same people over time rather a random sample each time. This is limiting for managers in that there is no accuracy to explain what it really takes to convert an uncommitted consumer or how long it takes to do so or how long consumers are locked in before a switch is made to another brand.

Despite the various methods used by different FMCG organisations to collect and analyse data, the common themes were clustered into three key metrics that were established during the interview sessions for measuring brand equity:

- Financial metric,
- Brand strength metric and
- Consumer perception metric.

Keller (1993) posited that marketers must first understand the brands positioning as this determines brand market performance. FMCG organisations are investing considerably in marketing activities to build and position brands in a way that brands have a competitive advantage over its competitors. Due to the financial investment to drive market performance, executives therefore consider the **financial metric** as one of the most important measures to track return on marketing investment.

Marketing managers have indicated that the following data (not limited to) needs to be gathered and reported on under this metric:

- Market share performance,
- Revenue and profitability,
- Price sensitivity,
- Marketing Investment Cost per contact – this is referred to the cost to retain and acquire new customers

The information gathered from this metric allows the organisation to assess how well marketing initiatives correlate to business performance and brand building over time.

Aaker (1991, 1996) and Keller (1993, 1998, 2003, 2008) identifies brand awareness, brand loyalty, brand associations, image and perceived quality as key metrics to track brand equity. Brand awareness indicates the worth of the brand in the market, by helping to track brand's strength. It is crucial for every organisation to know the strength its brand has in the market, and the value its product carries.

Respondents clustered these 5 metrics as **brand strength metric** since there are inter-dependencies that exist.

Respondents indicated that building a strong brand is indicative of a brand which can withstand changing consumer needs and a competitive / volatile market environment. A strong brand has little difficulty in launching line extensions or expansion into other markets. The **brand strength metric** was unanimously the most imperative measure to be tracked. Most of the FMCG organisations tracked the brand strength metric either monthly or quarterly depending on the size of the brand or brand budgets whilst others did so annually.

The common metrics that were tracked included and once again not limited to:

- Brand Awareness (knowledge of the brand)
- Brand Loyalty
- Recall and recognition (prompted or unprompted)
- Brand associations (accessibility/availability)
- Brand engagement, and ability to influence a purchase decision

As stated in the literature, perceived quality is the customer's judgement about a product's overall excellence or superiority that is different from objective quality (Zeithaml, 1988).

These perceptions on consumer judgements were clustered by respondents into the **consumer perception metric** which measures consumers' attitude and behaviour towards the brand. It was explained that these metric involve all the emotional attachments that consumers believe about a brand's offering and are determined by the following:

- Consumer perceptions (perceived quality, perceived value, willingness to pay a premium)
- Relevance
- The emotional attachment to a brand (feelings)

In summary, the research results found that **Brand awareness**, **Brand loyalty** and **Brand financial performance** have the most popularity, with 100% preference among all respondents as being key metrics. These 3 metrics were mentioned without even having to prompt respondents**.** The respondents recognise brand performance as an important metric in tracking brand health, since the better a brand performs in the market, the higher the organisation climbs in the market and its reputation increases.

Notably, **Brand association including image** were preferred by 100% of the respondents after being prompted still gaining high preference ratings when tracking brand health.

Brand perceived quality had mixed responses as respondents felt this metric to be dependent on the category or brand of the company and is not necessarily a true measure of brand equity.

Almost 40% of the respondents made mention of **additional metrics** used. The additional metrics have been classified into one of the three clustered metrics mentioned above. The metrics include:

- Brand Usage, **(Brand strength metric)**
- Brand share of occasions, **(Brand Strength metric)**
- Competitor brand health and performance,
- Advertising communication awareness and brand power, **(Financial Metric)**
- Penetration and frequency, **(Brand Strength metric)**
- Image driver analysis,
- Share of Voice (SOV) vs Effective SOV, **(Financial Metric)**
- Total media awareness and usage,
- Link testing with consumer response to research
- Behavioural and attitudinal metrics **(Consumer perception metrics)**

It can therefore be concluded that the most important metrics to be tracked by FMCG organisations in South Africa include Brand Awareness, Brand Loyalty, Brand performance and Brand Associations. Thus proposition one is **PARTIALLY ACCEPTED.**

5.4 Discussion pertaining to Research Proposition 2

Brand tracking models used most commonly by FMCG companies in SA are:

- *Brandz/Brand Dynamics*
- *Brand Asset Valuator (BAV)*
- *Conversion Model*

The literature cited earlier highlights a few commercial models which are considered for tracking brand equity over time.

From the results, it is evident that most respondents deem the Millward Brown Brand Dynamics and the TNS Conversion Model to be the most widely used tracker in many FMCG organisations.

The research findings indicate that majority of South African FMCG organisations use a brand tracker developed by TNS/Millward Brown or similar to track brand health.

These trackers are especially significant and highly effective in assessing the degree of relationship a customer has with an organisation's brand.

Millward Brown's tracker is highly effective in establishing the customer's purchase loyalty of the brand. The Millward Brown model (fig 2) shows the five main stages that customers start to relate with a brand, starting from basic awareness of the brand to full loyal.

One respondent stated that “this model aids future business decisions and allows for a proactive approach however, this model is unpredictable with smaller sample sizes.” Organisations derive value from this model through quarterly tracking of marketing investment impact on saliency, equity and advertising fighting impact.

According to the views of respondents, the model contributes to brand building in the following ways:

1. Strategy and investment posture by identifying critical areas in the ladder that need to be addressed against competitor set.
2. It gives an in-depth understanding of the levels at which consumers are prepared to buy an organization's brands
3. Contributes to brand building in that if an organization has a continuous awareness of its SWOT, it can build corrective actions into plans, campaigns and initiatives.
4. . Additionally, it helps in tracking by giving a fair sense of how the brand is tracking and in market impact from shifting from brand “A” to brand “B”.

Many respondents would also prefer the **TNS brand tracker**, due to its effectiveness in delivering an organisation's brand strategy by establishing power in consumer's mind and the market. It aids in achieving effectual brand positioning by effectively segmenting the market. Additionally, it allows for a comprehensive understanding of customers’ attitudes and competitors’ activities.

From the research, where a model by TNS/Millward Brown was not used, the FMCG organisations use own models, developed by their international business for purposes of consistency in assessing health, performance and consistency in the organisations. These models are particularly customised to address the requirements of the particular organisation or brand. It is essential that in as much as the common models are in wide use in these organisations, there must be additional models developed by the organisations themselves to complement these extant and common ones.

The **Brand Asset valuator, (BAV)** is a register of consumer perception of an organisation's brands. There was only a single mention of this model used by one of the respondents at the previous employer. No other respondent was familiar with this model within the FMCG environment.

Conclusively, the manager's preference towards using brand trackers developed by TNS Research International/Millward Brown in tracking brand health are largely attributed to the fact that these models are selected as a business decision and brand teams have adopted these models. Respondents agree that these models contribute to brand building in that it helps identify areas where commitment is lagging and the reasons for this which then allows brand manager to identify where the brands proposition/messaging/activity needs improvement. It helps identify areas of vulnerability to competitors as well as opportunities to target competitors and consumers. The value derived from this is that it defines strategy and tactics and how to build and grow the brand in a competitive environment by appealing best to target consumers. Brands can be proactive rather than reactive against performance results and it allows a company using it to stay ahead of other companies that do not because it provides a platform to track leading indicators and course correct before the market reacts.

In summary, the research conducted with the various respondents found that TNS and Millward Brown are the most widely used models by FMCG organisations in South Africa therefore proposition two is **PARTIALLY ACCEPTED.**

5.4 New Findings

It is important to note that majority of the respondents assert that a single model is insufficient in tracking, as it is too quantitative in nature. As such, it must be used in conjunction with other trackers in order to gain more insight and value in the data. Moreover, it gives a holistic understanding of how the brand is tracking.

Consequently, respondents discussed the purposes of the following additional tracking studies which are conducted by their organisation:

- The **Usage and Attitude (U&A)** study, which emphasises the importance of looking at source and outcomes holistically, as well as, the model of equity. Since equity models are quantitative, qualitative models such as The Usage and Attitude (U&A) study are needed in order to obtain a more critical view. Combining this model with other models is informative in brand plan decisions, market needs, gaps, opportunities, and brand perceptions.
- The **AC Nielsen Performance model**, which provides a deeper level of insights into an organisation's progress in measures it undertakes to get

the attention of potential consumers as well as track competitor performance against the brands performance.

- The **Net Promoter Score (NPS),** used in conjunction with conversion model is a highly effectual, economic and concise tool being used by many organisations to assess customer loyalty, by measuring the likelihood of existing customers recommending the brand to others. The successful management of this metric increases the possibilities of future growth, especially in an FMCG organisation. Reichheld (2003) posits that if a manager is looking to grow a brand, it is important to simply know what customers are saying about that brand to those around them.
- The **McKinsey Path to purchase model** provides a view to understand the full shopper path to purchase. This contributes to brand building by facilitating a comprehensive understanding of the key drivers of choice, thus enabling focus of investments there, hence saving time and resources. Consequently, this leads to effective brand building and increased profitable sales volumes.
- Ipsos (an equity builder),
- Simple Funnel methodologies (outdated and ineffective)

Most managers have indicated that a single tracker alone is not sufficient to get a holistic view of brand equity outcomes. For this reason, many have considered other models which are used in conjunction to the proprietary model selected by the business. Some have also been considered based on the simplicity of the model for quick research outcomes.

On the contrary, the use of various models becomes very costly exercise for companies and thus managers have to make trade-off decisions to select the best suited model based on brand budgets.

Although the Net Promoter Score model has been considered by some managers for its simplicity in gauging how happy customers are in the relationship of the brand by merely asking a simple question of 'Would you recommend this brand/product to a friend?', this model has generated a large amount of debate and criticism in that a single dimension is not enough to explain customer behaviour and know the extent to which this brand may be at risk to competing brands in the market.

Some respondents indicated that their organisations use the Net Promoter Score (NPS) model, due to its effectiveness in measuring consumer satisfaction at point of purchase of an organisation's brand. This model would be used in conjunction to the preferred proprietary model and the NPS score would simply aid in providing an additional measure of customers satisfaction at point of purchase.

Other respondents from a large multi-national indicated that the organisation adopted a company-developed model over and above the proprietary model that allows for calibration and consistency across its global markets.

In essence, whilst some organisations preferred their own models, local proprietary models are not neglected, but, organisations especially those with global brands determine additional models to be used to ensure consistency across their markets.

There are various benefits that were highlighted by respondents which supports the rationale behind using these additional models for brand health tracking which are listed below:

- The organisation is able to suit its brand's needs by understanding the impact of brand building programs on direct usage, thus, giving clear indication of effectiveness. This enables the organisation to build corrective actions into plans, campaigns and initiatives.
- When none of the proprietary models meet all the elements required by the business, or, have some elements that are not needed in a tracking tool for the business.
- It may turn out to be a most cost effective method to measure specific deliverables on a smaller brand budget.
- It allows focus on building on areas of weakness, focusing on quick wins (target audience/region) and, building on long term and short term plans for each brand.
- It provides a "weather report" that confirms if marketing plans/campaigns build on brand equity or confuses consumers.

In summary, organisations are definitely gaining from this process in that they feel more comfortable in the knowledge and profound understanding of their brands, competitor's brands, their consumers and consumer behaviour towards a brand.

5.6 Conclusion

In conclusion, tracking metrics must be sensitive and reliable in order to yield actionable recommendations. Organisations must adopt tracking metrics solely for assessing the relationship a customer has with the brand, and most importantly, winning the customer’s loyalty to the brand (The fmcg & retail marketing blog, 2007). This is insightful, as it offers information on the brand equity achieved by the organisations, especially, the ones that influence customer behaviours and attitudes, and generate value for the brand. It is imperative that the FMCG organisations marketers identify the actual value of brand drivers, which are the substantive and intangible points of differences that influence the consumers’ brand and product choices. Marketing activities with significant effects on brand knowledge must be identified.

Conclusively, marketing strategies and marketing management are elemental in implementing and marketing any organisation's brand. This entails being aware of the target market, generating an awareness, establishing dependable supply management channels, using the apposite marketing and pricing strategies to appeal to the marketplace, hence easing the diffusion and approval of the organisations' brands.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter presents the conclusions of the research and provides recommendations with regards to brand tracking metrics used.

6.2 Conclusions of the study

The purpose of the study was to investigate the use of brand tracking metrics within FMCG organisations in South Africa.

Proposition 1:

TABLE 8: Brand tracking metrics used by FMCG organisations in South Africa

Proposition vs Findings

Research Proposition 1: Brand tracking metrics include:	**Findings**	**Outcome**
Brand Awareness	100% of respondents agree that brand awareness is a key metric to track and measure brand equity. This is a consumers ability to recognise and recall a brand. (Prompted or unprompted awareness).	**Accept**
Brand Associations	100% of respondents agree that brand association and	**Accept**

including Image	image are key metrics since associations are built from the knowledge consumers have about a brand and purchase decisions are largely dependent on the associations towards a brand including how consumers think, feel, perceive and experience the brand from both a tangible and intangible perspective.	
Brand Loyalty	100% of respondents mentioned loyalty as a critical metric in determining a brand's equity. This is the customers' attachment towards a brand and repeat purchases are an indicator of loyalty as the brand remains top-of-mind and is easily recalled. Price sensitivity is low where high levels of loyalty exist.	**Accept**
Brand Performance	100% of respondents use brand performance as an indicator of brand equity. Brand performance allows the organisation to assess how well marketing initiatives correlate to business performance and brand building over time.	**Accept**
Perceived Quality	Respondents indicated that a customers perception on the overall superiority of a brand/product is not a key metric to measure brand equity. Having a high quality product does not translate to high brand equity.	**Reject**
Result: This proposition is **PARTIALLY ACCEPTED**		

Brand tracking must be a reflective, as well as, predictive tool, predicting where consumers move in the future.

Every executive mandated with the task of heading an organisation must be aware of important metrics that need tracking to measure brand health. Metrics such as Brand awareness, Brand loyalty, Brand Association including Image and Brand performance are all important metrics in tracking brand health.

However, additional metrics that are vital in tracking brand health were revealed from the interviews conducted. All these are important metrics when applied in the right way in any FMCG organisation, based on the particular needs of the organisation.

The research further revealed that FMCG organisations place significant focus on outcomes (loyalty, price premium, market share) than emotional elements as more emphasis is put on market share and loyalty data. Outcomes are viewed as a definite determinant of an organisation's profits, while emotional elements are just a complementary effect to outcomes. Outcomes guide key strategic decisions and assist in prioritising sensitive areas that warrant immediate attention. Additionally, outcomes are indicators of the emotional attachment consumers have to the brand. Indeed, outcomes indicate the actual market situation. Whilst this holds true, emotional elements are slowly gaining traction as a leading indicator.

Proposition 2:

TABLE 9: Brand tracking models used most commonly by FMCG organisations in South Africa

Proposition vs Findings

Research Proposition 1: Brand tracking models used most commonly by FMCG organisations in SA:	**Findings**	**Outcome**
Millward Brown BrandZ/Brand Dynamics	8 out of the 14 (57%) organisations interviewed use the Millward Brown Brand Dynamics model to track brand equity over time.	**Accept**
Brand Asset Valuator (BAV)	1 out of the 14 organisations interviewed use this model however, was not widely used or familiar to other organisations.	**Inconclusive**
TNS Conversion Model	5 out of the 14 (36%) organisations interviewed use TNS Conversion Model to track brand equity.	**Accept**
	Other Models included: Usage and Attitude Study (U&A), AC Nielsen Performance Model, Net promoter Score	

	(NPS), McKinsey Path to Purchase Model and Ipsos	
Result: 13 out of the 14 (93%) organisations interviewed use either Millward Brown or TNS proprietary models for tracking brand equity. This proposition is therefore **PARTIALLY ACCEPTED** with exception of Brand Asset Valuator (BAV) and the new models identified.		

For all the FMCG organisations, brand tracking studies are an imperative tool to employ. These are effective in monitoring the successful application and operation of the marketing programs that emerge from effective brand plans. Tracking studies arise from information collected from customers, based on how regular an organisation tracks its brands. From the research, some companies track their brands daily, monthly, bi-monthly, quarterly and annually. This largely depends on the size of the brand and marketing budgets as these studies are a very costly exercise.

Inherently, tracking studies normally accomplish three objectives. First, it tracks consumer brand awareness, brand knowledge, and uniqueness, favourability and strength of brand associations, which are primary sources of brand equity. In addition, these studies also assess relevant and significant results of brand equity, such as, brand preference, price sensitivity, past and planned future usage, and general consumer attitude towards the brand. Moreover, the studies determine how the metrics affect brand image. Successful implementation of brand tracking metrics and effective trackers provides accurate and timely information for organisations, enabling them to formulate quick, tactical solutions in the short-run and effectual, strategic resolutions in the long-run.

6.3 Recommendations

Brand health measurement is an influential factor on any organisation's financial success. Brands are the backbone of an organisation and if all other elements of any organisation are withdrawn apart from the brand itself, an organisation can still build a successful business. Consequently, brand tracking metrics are vital in helping organisations evaluate the performance of their brands against competitors. This serves an informative role on the on goings on the competitor scene, thus informing the management of an organisation on the needed modifications on the brand. Every FMCG organisation must therefore adopt effective metrics to track brand health, which allows stakeholders to have confidence in the brand.

Successful studies on brand tracking offer guidance to FMCG organisations in South Africa who are trying to select vital metrics to use in measuring brand equity. Since competition facing FMCG Organisations in South Africa is very stiff, distinctive brand tracking studies must be developed, and every official responsible for the smooth running of the organisations must ensure that the studies are exhaustive and followed in their implementation. A firm organisation helps stakeholders put strong confidence in the brand.

Every respondent must be aware that brand tracking metrics such as brand awareness, brand loyalty, brand imagery, among others are important sources of brand equity, and the higher the brand equity, the higher the returns to the organisation.

In addition, every organisation must use trackers that are suited to its needs, and must come up with ways to formulate new measure and track brand health in their organisation. This assists in avoiding redundancy and ineffectiveness of the trackers.

Organisations must develop strategies that promote brand growth appeal to customers, especially in competitive environments. Consequently, brand health needs regular tracking in such a big organisation, especially when launching a new product. The company should develop a model that does not lose robustness, in order to ensure healthy tracking of consumer loyalty, thus, assess financial performance correctly.

There are a number of brand metrics available for organisations to use and managers should therefore select the metrics that best align the brand to business strategy. A brand metric only becomes worthwhile if there are actionable steps that can be taken once the results have been presented. Although it is difficult to show direct relationships between brand metrics and financial results, managers should at least look for causality to show linkages between brand metrics and overall business performance. The performance and financial metrics as discussed in Chapter 5 together assist in gauging the effectiveness of brand building activities and should be linked to overall business performance and be mindful of a lagged effect in the results.

In order to select the most appropriate brand metrics that is best suited for your organisation, managers should ensure clear understanding of business objectives and then determine which of those objectives can be affected by increased brand building activities. Managers must further evaluate what customer behaviours need to change and what actions are needed to change behaviours. In doing so, the right metrics must be selected to assist in tracking progress on the brand and thereby affecting the brand performance. This process provides organisations with the added advantage that will keep them ahead in a fast-changing competitive marketplace.

6.4 Suggestions for further research

Suggestions for future research

- With the growth of digital marketing and social media, FMCG companies need to understand what other brand metrics need to be measure to track brand health – i.e. How will digital marketing affect the metrics used to measure brand health?
- A quantitative study can be conducted to analyse the key metrics used to measure and track brand health
- Explore the financial, legal and social impacts of brands
- Longitudinal study to monitor performance over time
- Correlation study to link marketing activities to brand tracking outcomes

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APPENDIX A

LETTER TO RESPONDENTS

Dear Respondent,

I am completing my MBA at The University of Witwatersrand, Johannesburg (Wits). My MBA thesis is on the usage of brand tracking metrics and models in FMCG organisations in South Africa. In the process of gathering data on this subject, I would be grateful if you would agree to a one hour meeting, preferably at your place of work to understand what [respondent's company] uses to manage the health of your brand and also understand which brand tracking metrics are used at [respondent's company].

Confidentiality will be maintained throughout the thesis process and you will be kept anonymous. The purpose of this research is for only academic purposes.

Your assistance to participate in this research will be greatly appreciated.

Yours sincerely,

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APPENDIX B

Actual Research Instrument

Interview Protocol

Understand the usage of brand tracking metrics and models in FMCG consumer organisations in South Africa context.

Details of the respondent:

Respondent Name:

Title:

Organisation:

Contact Telephone Number:

Email Address:

Date:

Time:

Duration of Interview:

Opening Statement to Respondent

To begin, I am very grateful that you agreed to be a participant in the research. The interview will not last longer than an hour and is contributions are considered to be very valuable. Your participation will be anonymous.

As I explained briefly in the e-mail communication, the purpose of the research is to understand the usage of brand tracking metrics and models in FMCG consumer organisations in South Africa.

Key research questions

Interview question 1

To monitor the health of your brand on a regular basis, which brand tracking metrics do you use?

Unprompted.

Interview Question 2

What do you track? Do you track the financial performance of the brand, awareness and competitive position?

Probe: If yes, Why? If No, Why Not?

Interview question 3

What model do you use?

Probe: Why did you choose this model?

Interview question 4

How does the chosen model contribute to building Brand?

Probe: Why did you choose this model?

Interview question 5

Do you use a brand tracker like Milward Brown to track your brand health?

Probe: If so, why? If no, what do you use and why?

Interview question 6

Which metrics should be tracked?

Probe: Is there a reason why you have not used other metrics e.g. awareness?

Interview question 7

Which models do businesses use?

Probe: Why?

Closing statement to respondent

Thank you very much for your time and for contributing to the research. The information you have provided has been immensely valuable. I might require some clarification from you during the analysis of the data in an effort not to misconstrue your thinking and will use e-mail to do this and promise not to be too intrusive of your time. As soon as the results of the research are available I will send you a copy for your perusal. Once again thank you and goodbye.