The Road Map for Today

Relying on a psychological theory called “attachment theory,” brands create equity for your company when they create effects that foster strong relationships—specifically, when they create an ***emotional attachment***between your consumers and your brand. Emotional attachment (also called brand strength) is the emotional bond a given consumer has with a specific brand. Attachment theory describes what it takes to create a strong emotional attachment between a consumer and a brand, and what kinds of measures reveal how attached consumers are to a brand.

Beyond Brand Image

A lot of work on branding has focused on how important it is to create a set of associations in consumers’ minds about what your brand stands for. Creating ***brand image clarity*** is, to be sure, a critical step to achieving brand equity. But it’s only a baby step. Creating a clear image only means that consumers know what your brand stands for. It says nothing about its relevance to them and why they should buy it—once or repeatedly.

Enter Responsiveness

Attachment theory suggests that beyond knowing who or what a brand stands for, strong attachments only form when that brand is ***responsive*** to consumer needs. In fact, psychologists argue that *responsiveness is one of the critical things that keep relationships going*.

Children with parents who are unresponsive to their needs become poorly attached to their parents. Couples break up when on partner in the relationship is unresponsive to the needs of the partner. On the other hand, a mother who is responsive to her child’s needs encourages a strong attachment bond between the mother and child. A spouse who comes a partner’s aid encourages relationship development, fosters relationship health and enhances the strength of the bond that connect the couple. Other people can’t substitute for this relationship partner—so the relationship endures, even through rocky times.

What does it mean for a *brand* to be responsive? A responsive brand does what it promises, does it well and does it better than one else. A responsive brand therefore creates consumer outcomes that are *consistent with the brand concept* you developed as part of your brand strategy.

If you are a successful marketer, you have identified and articulated a brand concept—a strategic perspective on how the brand should be positioned—and you have developed a set of marketing tactics (product decisions, advertising, etc.) that promise what the brand will. But even more than communicating, you have had to do other things to ensure that the brand is responsive.

A responsive brand *fulfills consumers' relevant needs or goals*. The goals can be many and varied—depending on the consumer and the situation. They may include broad level needs, such as needs for status, stimulation, belongingness or individuality, all the way down to situation-specific goals such as eating something sweet without the calories, having fun, or running without getting a blister. Finally, and importantly, your brand fulfills these relevant needs and goals *uniquely*—no one else can substitute for your brand because no other brand is perceived to do the things your brand does. Under these situations, consumers become dependent on your brand to satisfy their needs and goals.

Of course, being responsive means that there must be something in the product and the marketing behind it that creates the perception that the brand uniquely achieves these needs and goals. And this is why it is critical to begin any marketing effort with a complete understanding of the infamous 3 Cs: the consumer (what do they want), the competition (what they're not getting from the competition) and the company (what you can uniquely provide).

Responsiveness Over Time = Trust

Responsiveness is good, but it's not enough. An enduring relationship requires ***trust***. We defined trust in our first article as the extent to which the brand is (a) perceived as consistently following through on promised claims and (b) working in a way that is in the best interests of the consumer. Trust therefore means that the brand is being *responsive across time*—in other words, repeatedly.

It not only uniquely fulfills relevant needs and goals, it consistently does so. Moreover, a brand engenders trust when the activities surrounding its marketing are seen to be in the *best interest of the consumer*, not the company marketing the brand. You engender trust when you act in good faith and on behalf of the consumer. Things like liberal returns policies, reasonable prices, free delivery and courteous and conscientious sales people help to encourage these perceptions.

Why Clarity, Responsiveness and Trust Create Brand Equity

When consumers believe that a brand is responsive and trusted, they become emotionally attached to it. This emotional attachment is critical, because it provides the impetus for brand equity. A huge body of psychological research suggests that strong emotional attachment not only encourages consumers to *buy* your brand but also encourages them to become *committed* to it and to *invest* in it.

Commitment and investment, stimulated by strong emotional attachment, constitute the basis for brand equity (efficiencies in customer acquisition and retention).

Commitment and Brand Equity

Consumers who are committed to a brand are loyal to it—not just behaviorally, but psychically. Not only do they buy it repeatedly, they won't consider buying a substitute. Just as a partner in a committed relationship cannot be substituted by anyone else, consumers who are committed to a brand are similarly loyal.

Research shows that commitment encourages consumers to (a) disparage alternatives, (b) not to defect when more-attractive alternatives come along, (c) ignore rumors or other negative news about the attached entity, (d) forgive mishaps and (e) experience distress at the prospect of being without the entity to which they are attached.

Now, let's think about how commitment and the effects that we have described in points "a" through "e" create brand equity for the firm.

Consumers who are committed to a brand not only buy the brand but also buy it repeatedly—stimulating *customer retention* and *reducing the costs of customer retention*. Committed consumers require little advertising in the face of brand crises or the escalation of competitive advertising, ask for little in the way of recourse when mishaps occur, and save the company research and development costs (as they won't defect when the next best thing comes around).

Individuals who are committed to a brand also encourage *customer acquisition*for new products that represent brand extensions. Consumers who are committed to a brand may perceive a substantially higher value associated with the brand (as none can substitute). Accordingly, they become price insensitive and allow the firm to sustain *higher pricing*. Higher revenue achieved from committed customers (additional quantity purchased) at a lower marketing cost establishes higher brand equity.

Investment and Brand Equity

Research also shows that strong emotional attachment encourages investment in the relationship.

Our first article defined brand investment as the extent to which consumers are willing to sacrifice personal resources for the brand. Consumers can make (a) *time investments*, (b) *monetary investments*, and (c) *reputational investments* in a brand. Think about how these investments create brand equity—that is, how they enhance customer acquisition and retention in the most cost efficient manner:

* Consumers who are willing to make time investments in the brand are willing to bear the search costs involved in buying the brand. Marketing efficiencies are created as firms can use less advertising and use selective and more efficient distribution channels. Time investments in the form of brand communities create other emotional (social) connections to the brand and further sustain commitment and its effects on customer retention, l*ower customer retention costs*, and openness to brand extensions.

* Consumers who are willing to make monetary investments in the brand are willing to earn the firm *higher revenue* as they are willing to pay more to obtain the brand.

* Finally, consumers who are willing to make reputation investments encourage *customer acquisition*, as the favorable word of mouth (WOM) they spread about the brand is a credible and potent force motivating others' brand choices. Favorable WOM also *reduces the firm's advertising costs* as personal sources replace mass-media and personal selling sources.

Emotional Attachment, Commitment, Investment and the Brand Equity Measure

Our last article not only developed a measure of brand equity but also identified a set of criteria against which a good measure should be evaluated. It also described how our proposed measure met some of those criteria. We described next how it meets several others.

First, we suggested that a good measure of brand equity would provide tactical guidance regarding the management of brand equity. That is, it would reveal what aspects of the marketing mix need alteration for the creation of a strong brand (and for moving consumers to higher levels within the customer response hierarchy). Attachment theory identifies at least three critical factors that influence emotional attachment—brand image clarity, responsiveness, trust—and hence three critical strategic directions a firm can pursue with its marketing mix.

Second, we suggested that that a valid and useful measure of brand equity would separate the term "brand equity" from other terms. We separated brand equity from emotional attachment because emotional attachment reflects the strength of a customer's *emotional bond* with a firm or its brand(s). Brand equity is a *firm-related variable* that reflects *the brand's financial value to the organization*, specifically its efficiency in acquiring and retaining customers.

We also proposed that a good measure of brand equity should be diagnostic; that is, it would provide insight in factors driving increases or decreases in brand equity. We proposed that the drivers are commitment and investment, and that these drivers are created by enhancing consumers' emotional attachment to the brand. Attachment, in turn, depends on how well the firm can use its marketing tactics (a) to create a clear brand image, (b) be uniquely responsive to consumers needs, and (c) instill trust.

Finally, we proposed that a good measure would be consistent with consumer behavior theory. We suggested that attachment theory is a useful and valid theoretical perspective from which to understand the drivers of brand equity as it is a well-substantiated theory highly relevant to understanding the formation, maintenance and demise of relationships.

Stay tuned for our next and final article in the series. We will focus on how companies can build and leverage brand equity through such strategic decisions as brand extensions, co-branding and family branding.