

# **BEYOND MEDIA PLANS**

**Brand experience strategy**

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**The traditional “rules” of marketing are undergoing serious re-examination as companies seek new ways to build strong brands in the post mass-media era. There is an urgent need to answer the core questions of which contacts to use, and how to allocate brand’s marketing investments beyond mass media and across the wide variety of contact choices. The Market ContactAudit© tool was developed to help answering those questions. A Procter & Gamble application of the MCA© to a concrete business problem illustrates how the tool is operated to improve marketing effectiveness and efficiency.**

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**BACKGROUND:**  
**A ROBUST TECHNIQUE TO MEASURE THE INTRINSIC  
 VALUES OF CONTACTS FROM THE CONSUMER'S PERSPECTIVE**

- Connecting a brand with its consumers with measured effectiveness is crucial to the implementation of successful and profitable brand programs. After all, “you cannot manage what you cannot measure”.
- While stochastic modeling programs have had some success in correlating different brand activities to business results, they can be unwieldy and expensive.
- By measuring what consumers perceive, rather than what they receive, the Market Contact Audit© represents a robust complementary approach to measuring the effectiveness of brand activities.
- Details on the theoretical background of the MCA© questionnaire methodology were first presented and published at an ESOMAR event (Khoury and Jamhuri, 1996).

**Figure 1**  
**THE CONSUMER - BRAND RELATIONSHIP**

Brand's Perspective	Consumer's Perspective
Content + Contact	Encounters
Brand Behavior through IMC	Brand Experience

**A contact is each and every opportunity for a brand and a consumer to encounter**

**Example of contacts:**

- > **Mass Media exposure**  
TV ads, Magazine ads, Print Articles, etc...
- > **One-to-One contacts**  
Direct Mail, Coupons...
- > **POS experience**  
Posters, leaflets, shelf-space, gondolas...
- > **Events and Sponsoring coverage**
- > **Any other contact**  
Knowledgeable Persons...  
Packaging...  
Branded Web-Site or Internet Banners...

In summary, via face-to-face interviews, using monadic cards each with a contact description in consumer language, two interview techniques are

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used to ascertain the three intrinsic values of contacts for a given product category and market:

- \* The “Process of Elimination” is used to develop the *Information and Attractive Values* of contacts to ascertain their cognitive and emotive influence (Trout and Rivkin, 1996).
- \* The contacts that are high in either Information or Attractive Value, or both, are then rank ordered by their importance using the “Just Noticeable Difference” system. This ascertains their *Power Value*, or their behavioral influence (Thurston, 1927).

Additionally, the survey asks consumers to associate Brands competing in the category with the screened Contacts to measure the perceived weight of brands’ activities relative to competition.

(The questionnaire takes approximately 25 minutes in face-to-face interviews, and has been validated in self-administered mailed questionnaires. The questionnaire is well suited to be included in standard brand surveys such as U&A, Awareness and Image studies, etc. and relate them to the universe of contact).

- In the same paper, Khoury and Jamhuri use a Houses of Perfumes case study to illustrate the power of the method to identify opportunities to strengthen both the contact mix and use of contacts in order to build brand sales and profits.

### **A BREAKTHROUGH IN QUANTIFYING THE EFFECTIVENESS OF CONTACTS**

In 1998 the operational power of the MCA© Method was enhanced by the discovery of a way to merge the three intrinsic values of a contact into a single indicator, via a series of algorithms. The merging of the three values into one generates a new indicator, the *Contact Clout Factor (CCF)*. The CCF score thus indicates the effectiveness of a contact by its capacity to influence attitudes relative to the other contacts screened. (See figure 2.)

The validation of this assertion is discussed in a following section on the subject of validation.

Besides permitting the prioritization of contacts by their measured effectiveness, the CCF also enables the creation of a currency for the comparison of effectiveness and competitiveness of Brand Activities.

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**Figure 2**  
**THE CONTACT CLOUT FACTOR**

*Contact Clout Factor (CCF) = Capacity of a Contact to Influence Consumer Attitudes*

Merges the three intrinsic values as measured by the MCA method:

- |                     |                      |
|---------------------|----------------------|
| ○ Information Value | Cognitive Influence  |
| ○ Attractive Value  | Emotive Influence    |
| ○ Power Value       | Behavioral Influence |

**INTRODUCING THE CONCEPT OF  
BRAND EXPERIENCE POINTS: BEPS**

Brand Experience Points (BEP) is an indicator that reflects the perceived weight of experienced consumer - brand encounters through individual contacts. BEPs are measured by the degree to which consumers associate brands and contacts. These associations are normalized and weighted by the CCF to deliver the BEP levels for each brand against each contact.

The higher the BEP level for a contact, the more consumers report experiencing the brand in that contact.

The brand - contact BEP accounts for the contribution of the brand perceived activity to the overall Brand Experience. BEP takes into account quantity (level of association of the brand with the contact) and quality (association weighted by the respective influence of the contact). Hence an association of 40% on a most influential contact (as rated by consumers) has a clearly different contribution to building Brand Experience than 40% scored on a less influential contact.

Through BEPs, which are weighted via the CCF, activities can be compared across all brands and among all contacts of the category. Through BEPs, levels of activities can also be compared across markets and categories.

Substantial disparities have been noted in the average levels of BEPs among leaders across categories and markets: The average level of BEP of leaders can range from 500 to 3,000. These disparities are the result of i) different levels of consumer receptiveness; ii) the degree of competitiveness in the category; iii) the type of the category: fragmented (lower levels of BEP) as opposed to fewer brand players (higher levels of BEP). (See figure 3.)

**Figure 3**  
**CALCULATING THE KEY MCA INDICATORS**

Contacts	Associations w/ Brand A	CCF weighting	BEPs Brand A	BEPs Brand B	BEPs Brand C	BEPs Total Category
Sample	40%	70	2800	3000	1500	
W.O.M	30%	60	1800	2500	1000	
TV Ad	20%	50	1000	2000	1200	
(...)						
35 <sup>th</sup> contact	10%	20	200	500	400	
<b>Total BEPs</b>			<b>5,800</b>	<b>8,000</b>	<b>4,100</b>	<b>17,900</b>
<b>BES</b>			<b>32%</b>	<b>45%</b>	<b>23%</b>	<b>100%</b>

**CCF** = "Contact Clout Factor" is a single indicator for the capacity of contact to influence consumer attitudes towards brands in a given category.

**BEP** = "Brand Experience Points".  
Number of brand contact associations weighted by the CCF.

**BES** = "Brand Experience Share".  
Single indicator for the perceived weight of all brand activities relative to competition.

**VALIDATION:**  
**BRAND EXPERIENCE SHARES AS MEASURED BY THE MCA**  
**CORRELATES CONSISTENTLY AND SIGNIFICANTLY TO**  
**INDEPENDENTLY MONITORED MARKET SHARES**

In over 80 audits, covering 30 categories, in over 18 markets and 16 languages, Brand Experience Shares correlate to market share at .80 and better. This demonstrates that the method of calculating Brand Experience Share by weighting Brand - Contact associations by the CCF score cannot be spurious. The CCF score must reflect the capacity of contacts to influence attitudes.

At the behest of a major global advertising agency, and with the collaboration of Integration's clients, these correlations were subjected to independent review at INSEAD (Chattopodhyay and Banerjee, 2001). The paper is attached for reference (refer to Appendix II). (See figure 4.)

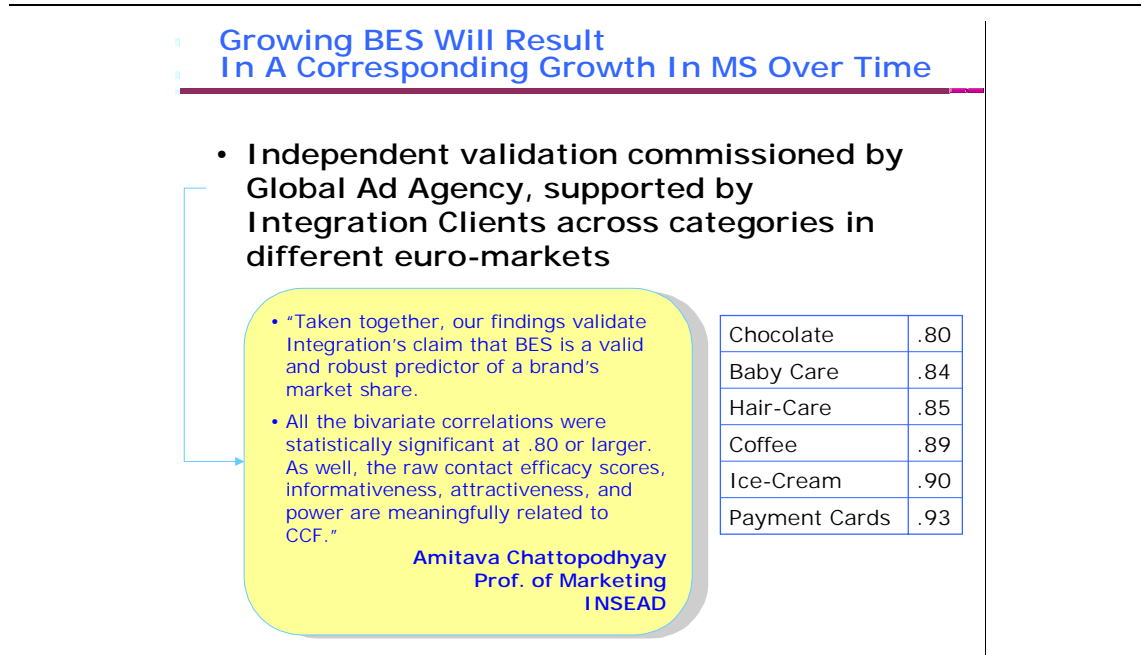
**HOW TO TURN MCA© READINGS INTO INSIGHTS AND ACTIONS**

**Understanding which Contacts Grow Brand Experience Shares**

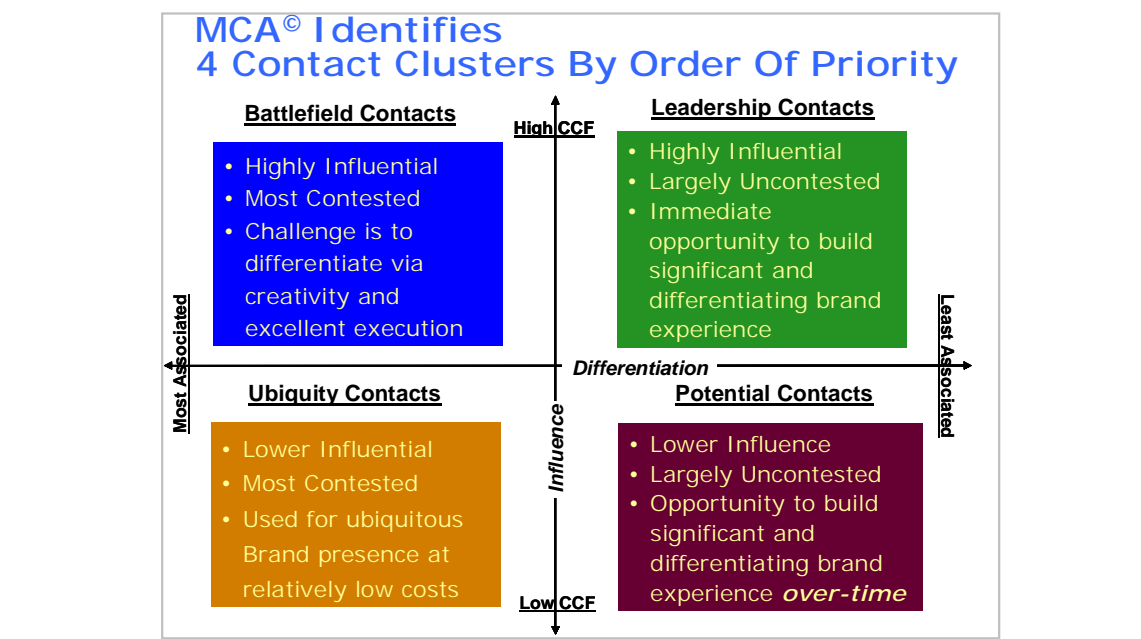
The MCA© identifies those activities that contribute most to building brand experience for each brand in a category. These are clustered both by their ability to influence and by their opportunity to differentiate (the opportunity to

differentiate is derived by indexing the measured brand-contact associations against the average brand-contact association). (See figure 5.)

**Figure 4**  
**VALIDATION**



**Figure 5**  
**FOUR CONTACT CLUSTERS**



**Battlefield contacts**

These contacts are perceived as highly influential, however, are also associated with most brands in the category. For instance, in FMCG categories, TV advertising is almost always a battlefield contact.

These contacts offer the most important, but also most difficult opportunity to grow brand experience shares, because they are heavily contested. Success here is shown to largely depend on the ability of a brand to differentiate its consumer encounters via creativity and excellence of execution.

**Leadership contacts**

These contacts are highly influential but are associated only with few brands in the category, invariably market leaders. Direct marketing encounters often rank in this cluster. As they are relatively uncontested, these contacts offer an immediate opportunity to build significant and differentiating brand experience.

**Potential (future gains) contacts**

These contacts are of average, but potentially growing influence, and are only associated with few brands, if any. Sponsorship contacts often show up in this cluster. These contacts are largely uncontested and can be expected to grow in influence with increasing activation. They offer an opportunity to build significant and differentiating brand experience over time and become the future leadership contacts for the brands that use them. For example, motor-sports sponsorship has become a Leadership Contact for the Marlboro brand.

**Ubiquity contacts**

These contacts are of below average influence and are usually associated with many brands in the category. Coasters are an example of such contacts in the beer category. While not significant contributors to brand experience, they can serve to create ubiquitous brand presence at relatively low cost.

**Planning Effective Brand Experience via Pivotal Encounters**

Comparing a brand's experience performance vs. competition in each of the clusters allows marketers to develop a comprehensive analysis of the strengths, weaknesses, opportunities and threats of a brand's activity mix. This provides the basis for planning more effective holistic integrated marketing campaigns.

Enriched with market activity information, competitive media spending, copy history, promotional activities, event sponsorships etc., marketers are able to evaluate which brand programs are effective and which need improvement or should be abandoned. The result is a clear understanding of which contact-mix

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provides the best opportunity to build brand experience, and insights on how to utilize these contacts to deliver more effective brand encounters to consumers.

The MCA© brand planning process will identify those contacts which should be used to create “pivotal” brand encounters, and shows how to leverage and link them to other contacts to deliver an enhanced integrated experience for consumers.

### **APPLICATION OF THE MCA© TECHNIQUE TO A CONCRETE BUSINESS PROBLEM**

As an illustration, we chose a Procter & Gamble beauty care brand in a Western European country – that we can call brand X. The brand is relatively small. From data sources outside MCA© they had learned that the product was well accepted, but the brand suffered from low awareness and trial. Addressing this weakness was therefore the brand’s first priority. Changing the content of their advertising message was not an option for various reasons. Therefore, the brand gave first priority to improving the mix of consumer contacts. In this situation, the brand was faced with an additional problem: its marketing support budget would be cut by 20% in the next year. In order to get guidance on how best to spend the remaining funds, an MCA© study was conducted.

The MCA© revealed that the most powerful contacts (out of 30 surveyed) were in-store sampling, TV advertising, sampling in malls, and medical recommendation (see table 1).

**Table 1**  
**CONTACT CLOUT FACTOR OF SELECTED CONTACTS**

<i>Contact</i>	<i>CCF</i>
1. In-store sampling	80
2. TV-advertising	76
3. Professional expert recommendation	74
4. Sampling by mail	72
5. Medical recommendation	71
...	
28. Brand website	14
29. Advertising via cell phone	12
30. Event sponsoring	11

The contact used most often in the category/country was TV advertising, followed by Print ads, outdoor ads and in-store sampling. On the other hand, medical recommendation was amongst the least-used contacts and, thus, an opportunity (see table 2).

**Table 2**  
**USAGE OF SELECTED CONTACTS BY THE CATEGORY**

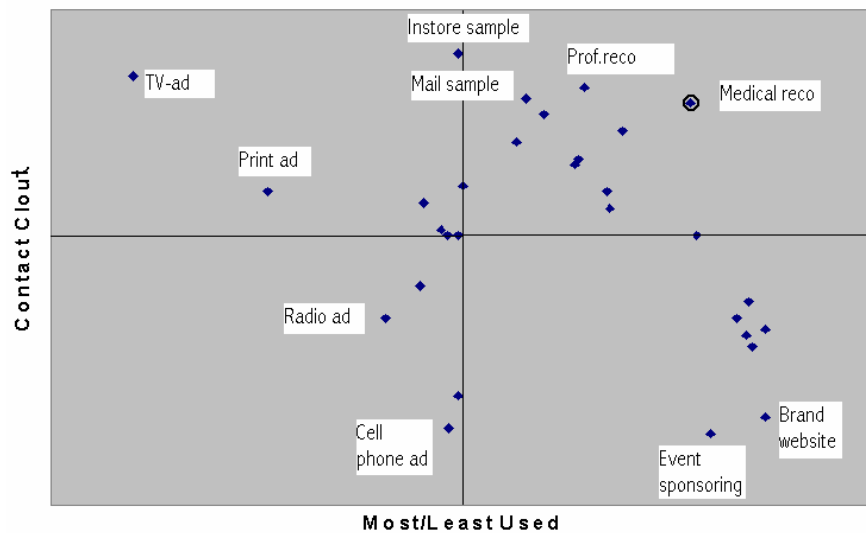
<i>Contact</i>	<i>Category usage (index vs. total category avg.)</i>
1. TV advertising	580
2. Print advertising	385
3. Radio advertising	214
...	
11. In-store sampling	108
14. Sampling by mail	80
18. Professional expert recommendation	61
22. Medical recommendation	27
...	
28. Health Care websites	7
29. Gatherings	3
30. Brand website	3

For the prioritization of contacts, the following criteria were chosen. Contacts should:

1. have high clout;
2. be least used, i.e. most differentiating;
3. be able to build on an existing strength of the brand.

A key element of the analysis was the opportunity matrix which combines the clout and the most/least used index. Contacts in the upper right quadrant would be preferred. Here, the medical recommendation contact clearly stood out. Its clout was not significantly weaker than that of the first four contacts on the CCF list (in-store sampling, TV-ad, professional experts, mail sampling), while at the same time it was by far the least used contact of them, thus offering a strong opportunity for brand differentiation.

**Figure 6**  
**OPPORTUNITY MATRIX FOR BRAND X**



Brand X used to run some TV advertising, but due to high competitive pressure, this contact was not an area of strength for the brand. In contrast, they had a relative strength on medical recommendation: this contact obviously worked for them, but on a low level – in other words, they were under-using this contact.

**Table 3**  
**RELATIVE STRENGTHS/WEAKNESSES OF BRAND X**

In-store sampling	+ 1
TV-advertising	+ 1
Professional expert recommendation	+ 1
Sampling by mail	- 1
Medical recommendation	+ 4

Based on the data, brand X decided to shift a major part of their funds into medical recommendation, thus strengthening this program which had been supported only on a low level so far. In parallel, they improved their equity communication in TV.

As a result, volume and share grew steadily (see table 4). As no other significant changes were made to the marketing mix, this success is traced back to the above changes in the contact portfolio. This was confirmed by

diagnostic research that showed the level of medical recommendation going up to four times the previous level.

In the following year, the medical program was rolled out to a further European country. Here, the executional quality of the program was further improved; in addition, the local brand had the advantage of not facing a budget cut. As a result, the business response was even more positive. A potential conclusion would be that portfolio improvements like the one outlined can lead to improved business even at lower overall spending levels, but the leverage effect obviously will be bigger at equal investments.

**Table 4**  
**SHARE DEVELOPMENT OF BRAND X**

	<i>Year 0 (pre MCA<sup>©</sup>)</i>	<i>Year 1</i>	<i>Year 2</i>
<i>Country 1</i>	100	121	138
<i>Country 2</i>	100	172	n.a.

*Nielsen share in comparable periods, indexed vs. pre-MCA<sup>©</sup>*

Based on this result, some further MCA<sup>©</sup> studies in various product categories have been conducted by P&G, but no business results are available yet. However, it should be noted that data from these studies have been used for the validation work done by INSEAD (see above). Results for the P&G brands are in line with the overall results quoted.

### **CONCLUSION: GROW MARKET SHARE AND PROFIT BY MANAGING BRAND EXPERIENCE OVER TIME**

*The operational benefits of MCA<sup>©</sup> move the technique from research into brand management. MCA<sup>©</sup> provides the platform to systematically grow the brand experience share while maximizing the effectiveness of the marketing resources employed. The result will be growing market share and profit.*

*Improvements in fieldwork and the process of turning insights into actions make MCA<sup>©</sup> System affordable and operational, even for brands or markets with limited budgets.*

Initial audits deliver measures in two areas. For a given category, they calibrate the values of individual contacts and benchmark the brand experience performance and shares. Simple single-question follow-up surveys with reduced sample sizes suffice to then track developments in brand experience performance. The tracking surveys have proven to be highly sensitive to

changes in brand behavior, and thus provide quick indication as to the impact of new activities. Re-calibration of contact values is generally only required every two years.

*MCA© empowers marketers with increased marketing accountability and real time tracking of marketing efforts:* thus enabling marketers to introduce a cost efficient, continuous process of benchmarking and tracking the effectiveness of programs vis-à-vis the means employed and competitive activities on the market place. Accountability is introduced and best practices can be established in all brand activities that influence consumer attitudes and brand choice.

*The global currency of BEPs makes IMC brand management applicable across cultures, markets and categories.*

## REFERENCES

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**APPENDIX I**

**Figure 7**  
**MCA© DELIVERS SIX INDICATORS THAT**  
**PROVIDE THE BASIS OF BRAND EXPERIENCE PLANNING**

		Indicators	Learnings	Actions
At Contact Level	1	Contact Clout Factor (CCF)	What are the most influential contacts?	To use the <i>right contacts to improve effectiveness</i>
	2	Most / Least Associations Index	What does the category do?	To use the right contacts to <i>differentiate the brand</i>
	3	Empowerment Scores	How does each individual contact work?	To use the right contacts <i>in an efficient way</i>
At Brand Level	4	Brand Experience Share (BES)	How is the brand performing vs. competition?	To evaluate <i>overall marketing effectiveness</i>
	5	Brand Experience Points (BEP)	What are the brand Strengths Weaknesses?	To assess <i>reasons for brand success</i> and possible future gains
	6	Brand-Contacts Credits & Deficits	What are the brand Opportunities Threats?	To <i>fix the mix</i>

*Readings are provided across all consumer's segments (socio-demos, U&A etc...) and typologies - as included in the MCA quantitative questionnaire -*

## APPENDIX II

### RESULTS OF THE VALIDATION STUDY UNDERTAKEN FOR INTEGRATION AND YOUNG & RUBICAM

Prepared by Amitava Chattopadhyay and Sumitro Banerjee (August 2001)

The purpose of this report is to document the outcome of an independent validation of Integration's claim that the Brand Experience Score (BES) derived from the data collected for their Marketing ContactAudit© is a robust and significant predictor of a brand's market share. We report below the findings from our analyses.

#### Data

Integration provided us with five sets of data covering the product categories of credit cards, chocolates, coffee, and diapers. For the latter there were two sets of data; one covering brand awareness (BAR) data and the other without BAR.

The Market ContactAudit© data provided by Integration contained raw measures of the informativeness, attractiveness, and the power of the various contacts appropriate for the category. Additionally it contained information about the Contact Clout Factor or CCF, which is a score for each contact that is derived from the measured informativeness, attractiveness, and power for that contact. We also had information on the Brand Experience Score or BES, which is also derived from the ratings and is a brand level indicator of the perceived weight across all contacts for a given brand, relative to competition. Aside from the Market ContactAudit© data, we were also provided with an assessment of market share for the various brands in the category.

#### Analyses and Results

The key task for us was to examine whether the Market ContactAudit© data predicted an independent measure of brand performance in the marketplace, defined by the brand's market share.

As a first cut, the bivariate correlations were computed between market share and BES within each of the categories. As can be seen from table 5, the correlations were all large and significant at the .05 alpha level, the level primarily utilized for testing for statistical significance in scientific research. The smallest of the correlations was .80 for chocolates. Thus the correlations explained 64% of the variance in the data, or greater.

**Table 5**  
**BIVARIATE CORRELATIONS BETWEEN BES AND MARKET SHARE**  
**BY PRODUCT CATEGORY**

<i>Credit Cards</i>	<i>Chocolate</i>	<i>Coffee</i>	<i>Diapers Unbranded</i>	<i>Diapers</i>
.93	.80	.89	.84	.83

*All correlations significant at  $P < .05$  alpha level*

Having established that the correlations were large and significant, the next step was to see if the size of the correlations was sensitive to the product category under investigation. Stated another way, we wanted to understand if we could, in a statistical sense, say whether the correlations that we were likely to observe in other product categories were also likely to be similar in size.

To do this, a regression equation was estimated using all the data from across the five product categories taken together. Market share served as the dependent variable, and the three terms, BES, a product category dummy variable, and the interaction term between BES and product category, served as the key independent variables.

The analyses, reported in table 6, reveals that the BES\* product category interaction term is statistically significant at the .05 alpha level. This indicates that the relationship between BES and market share is not the same across product categories.

**Table 6**  
**RELATIONSHIP BETWEEN BES AND MARKET SHARE**  
**ACROSS PRODUCT CATEGORIES**

<i>Independent variables</i>	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
<i>Intercept</i>	2,52	2,06	1,22	0,229
<i>Product Dummy</i>	-0,95	1,07	-0,89	0,380
<i>BES</i>	-3,39	20,48	-0,17	0,870
<i>Product Dummy x BES</i>	19,99	6,30	3,17	<b>0,003</b>

$R^2 = .62$

Aside from the main analyses reported above, we examined the relationship between the raw measures of contact efficacy: informativeness, attractiveness, and power, and the CCF score. In the model, used for the Market ContactAudit©, raw scores are converted to CCF using a proprietary transformation that we are not privy to. We used a simple linear model to explore the relationship between the contact efficacy measures and CCF. The estimated linear regression model had CCF as the dependent variable and measures of informativeness, attractiveness, and power as the independent variables. As can be seen from table 7, the simple linear regression model fit the data well, with R2 being 0.74. Also, as can be seen from the regression coefficients for the predictor variables reported in table 3, the coefficients are all statistically significant. Thus all three of the predictors contribute to the CCF score significantly.

**Table 7**  
**RELATIONSHIP BETWEEN INFORMATIVENESS, ATTRACTIVENESS,**  
**AND POWER, AND CONTACT CLOUT FACTOR (CCF),**  
**COLLAPSED ACROSS PRODUCT CATEGORIES**

<i>Dependent Variables</i>	<i>Coefficients</i>	<i>Standard Error</i>	<i>t-Stat</i>	<i>P-value</i>
<i>Intercept</i>	4.306	7.797	0.55	0.5844
<i>Informativeness</i>	-4.053	0.594	-6.82	0.0001
<i>Attractiveness</i>	4.452	0.593	7.50	0.0001
<i>Power</i>	0.464	0.116	4.02	0.0003

$$R^2=0.747$$

A final set of analyses were conducted wherein we examined whether the contribution of the measured contact efficacy variables, informativeness, attractiveness, and power, to CCF were similar across product categories, assuming a simple linear additive relationship. The regression model estimated contained CCF as the dependent variable and informativeness, attractiveness, power, informativeness\*product category, attractiveness\*product category, and power\*product category, as the independent variables. As can be seen from table 8, the analyses revealed that there is variability in the relationship between the contact efficacy scores and CCF as a function of product category as all three interaction terms attained statistical significance at the .05 alpha level. Interestingly, the model explained over 95%; an extremely good fit. Further, the interaction terms, which account for the variability across categories, taken together, account for approximately 20% incremental variance beyond that explained by the main effects of the contact efficacy measures alone.

**Table 8**  
**INFLUENCE OF PRODUCT CATEGORIES (PC) ON THE**  
**RELATIONSHIP BETWEEN CONTACT EFFICACY MEASURES AND**  
**CONTACT CLOUT FACTOR (CCF)**

<i>Dependent Variables</i>	<i>Coefficients</i>	<i>Standard Error</i>	<i>t-Stat</i>	<i>P-value</i>
<i>Intercept</i>	8.140	7.219	1.13	0.2680
<i>Informativeness</i>	0.597	0.674	0.89	0.3823
<i>Attractiveness</i>	-1.155	0.565	-2.01	0.0495
<i>Power</i>	0.937	0.122	7.68	0.0001
<i>Informativeness*PC</i>	-0.942	0.296	-3.18	0.0033
<i>Attractiveness*PC</i>	1.359	0.237	5.72	0.0001
<i>Power*PC</i>	-0.298	0.036	-4.72	0.0001

$$R^2=0.967$$

## **CONCLUSIONS**

Taken together, our findings validate Integration's claim that BES is a valid and robust predictor of a brand's market share. All the bivariate correlations were statistically significant and .80 or larger. As well, the raw contact efficacy scores, informativeness, attractiveness, and power are meaningfully related to CCF.

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