

Brand awareness metrics: The underlying awareness of brand users and non-users.

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Abstract

The majority of marketers track brand awareness metrics (Ambler 2000; Kapferer 2004). However, contrary to their prevalence, only few guidelines exist to assist marketers in the correct selection and interpretation of the metrics (e.g. Lynch and Srull 1982; Percy and Rossiter 1992; Laurent et al. 1995; Romaniuk et al. 2004). Consequently, very few marketers have a good understanding of the differences between brand awareness metrics (Macdonald and Sharp 2003). This limits the ability of marketers to understand how they fluctuate over time, how sensitive they are to different marketing activities, and the relationship between changes and other measures of brand performance, such as sales. As a result, few managers consider them as particularly useful metrics when formulating marketing strategy (Ambler 2000).

This thesis seeks to provide a base for better interpretation of the main brand awareness metrics: top-of-mind, category prompted awareness and brand prompted awareness. Underlying all brand awareness metrics are the awareness levels of two very different groups of people: brand users and non-users. To date, no research has explored how these two groups are reflected across the different brand awareness metrics.

This thesis uses a quantitative approach to address the following broad research questions:

- What influence does prior brand usage have across the three brand awareness metrics?
- How does the composition of the different brand awareness metrics differ in terms of the two customer groups, brand users and non-users?
- Which customer groups, brand users or non-users, contribute to changes in brand awareness scores?

These areas of investigation were explored with data from three different product categories, in three different countries: Greece, Turkey and the United State of America. The product categories investigated were toothpaste (16,112 respondents), whisky (4,906 respondents) and shampoo (6,056 respondents). In total this research comprised of investigating the awareness levels of 34 brands across approximately 25,000 respondents.

Key findings

The findings of this research provide a more transparent interpretation of what brand awareness metrics, and changes in the metrics reflect. The main findings from this thesis indicate that:

Top-of-mind brand awareness is primarily a reflection of brand users' awareness levels, and brand users cause the vast majority of changes in total top-of-mind brand awareness scores. This metric is not very sensitive to changes in non-users' awareness levels. The relative composition of brand users to non-users in the sample can impact on the total score.

Category prompted awareness is a reflection of both brand users' and non-users' awareness levels. As total category prompted awareness scores are comprised of scores of both customer groups, the changing awareness levels of brand users and non-users, together or alone, can cause changes in category prompted awareness. Again, the relative composition of brand users to non-users in the sample can impact on the total score.

Brand prompted awareness is a reflection of both brand users' and non-users' awareness levels, but is strictly in line with the brand's penetration, as scores are typically close to 100 percent. As brand users' brand prompted awareness scores are largely stable, brand non-users mainly cause changes in total brand prompted awareness. However in some instances the changing proportions of brand users in the sample due to actual penetration shifts or mere sampling issues, cause changes in total brand prompted awareness.

Recommendations

To date, marketers have typically only measured total brand awareness scores. The key recommendation arising from this thesis is that brand awareness metrics should always be measured, and hence interpreted separately for each of the customer groups: brand users and non-users. The key reasons are as follows:

1. Measuring brand awareness at the disaggregate level allows practitioners to identify whether brand users' or non-users' awareness levels have changed. This will help marketers who are using brand awareness as an indication of advertising effectiveness, and will potentially increase the predictive ability of future changes in market share. For instance, if there is no increase in non-users' awareness levels, then this would indicate a lower likelihood of future sales growth among these non-users.
2. Measuring brand awareness at the disaggregate level removes the potentially confounding influence of changes due the fluctuating proportions of brand users and non-users in the sample (due to actual changes or mere sampling issues). The value being that practitioners can then gain a 'true' reflection of the changing propensities of the brand to be recalled (top-of-mind or category prompted) and/or recognised (brand prompted).
3. The very nature of the different brand awareness scores is that often they are subject to bounding issues, either ceiling or floor effects. Brand awareness scores that fall close to the maximum (100%) are unable to go any higher; scores that fall close to the minimum (0%) are unable to go any lower. These scores provide less value to marketers and practitioners, as they are unlikely to detect changes in awareness. Measuring brand awareness at the disaggregate level allows marketers to focus on the awareness levels of the groups that have the potential to change.

Conclusion

The findings from this thesis provide a new perspective on brand awareness metrics. Tracking the underlying awareness levels of brand users and non-users separately provides more interpretive value to practitioners and therefore provides greater strategic guidance to those who wish to take action as a result of monitoring awareness scores.