



When brands reach dead ends

Dr. Uwe Lebok, Member of the Board and CMO at K&A BrandResearch AG, explains the threat, but also new opportunities and Potential for brand owners and product categories in difficult times of uncertainty.

The problem has been known for a long time and becomes even more evident in times of crisis: Some branded products with quite objective benefits experience a "lead weight" on the shelf and are hardly noticed by consumers. Market success does not (or no longer) materialise. The manufacturers of such products are then under immense pressure to succeed. This is a stress test that is not unknown to many branded companies and with which they were already familiar before the Corona scenario. The following applies: Unexpected (viral) social crises can act either as euthanasia or as a brand accelerator for new market growth for brands that are stuck in dead ends or categories that are in danger of being forgotten. In this analysis, Dr. Uwe Lebok, CEO and CMO at K&A Brand Research AG in Röthenbach near Nuremberg, sheds light on the potential threat to companies exclusively for SG Magazine. Even if a product is objectively better than that of the competition, even if numerous "good" reasons for use can be excellently derived from the manufacturer's point of view, such assets can be without effect in the market. From an economic point of view, the "market" is made up of all potential consumers and target customers; from a psychological point of view, it is the recipients of marketing activities. For these, even in the digital-global age, Watzlawick's theorem from the 20th century still applies: "The truth is always determined by the receiver and never by the sender."

"The truth is always determined by the receiver and never by the sender".

Even if companies make so many marketing efforts, it is unfortunately still too often overlooked that brands and product categories have in the past anchored certain images in the minds of consumers, which are translated by them into stories, action routines and contexts of use that are simple for them. What once has somehow become fixed in the human brain can only be developed further or even changed with hesitation. This is especially true when categories such as chewing gum or individual brands now have a negative image in certain target groups.

Negative images - caused by hearsay, own experiences or unconscious impressions - not infrequently solidify into prejudices that remain in consumers' minds for years.

Prejudices influence our human decisions, which is perfectly natural. However, prejudices are also used to "pre-judge" brands before a purchase decision is made, so that they are no longer considered in general or on certain occasions. Pre-judices are efficient for us humans, because through them we make preliminary decisions without being aware of it and we already implicitly sort out decision options for certain situations.

Such preselections of decisions are also called schemata in psychology. They serve as templates for subsequent (stereotypical) routine actions and thus simplify our everyday life: decisions are "easier" because less thinking is required. Schemata and context expectations increase the efficiency of our everyday processes.

However, schemata, everyday routines, contextual expectations, etc. are tough contemporaries and cannot be easily overcome via line extensions or communication: For example, clarified butter sounds "full of fat" to consumers of Gen YZ, it makes you fat and is only used by "old people". Toffee sweets are for this generation "pappsüß", "Plombenzieher" and only for "Werther's Opa". Accordingly, rusks fit best for the offspring in everyday contexts of "sick children" and "emergency situations". And the "white giant" still seems to be best suited for white shirts and other "cooking linen" - even if these occasions are dramatically decreasing in importance in everyday life.



Dr. Uwe Lebok has been on the Executive Board since 2005 of the K&A BrandResearch AG and has held the position since 2013. as Chief Marketing Officer of the company. (Photos: K&A BrandResearch)

If the company only communicates objectively "correct" information from the product, but not that which really brings about a change in consumer behaviour, there will be no resounding market success.

Pre-judged, forgotten, useless

Negative brand images and/or little relevance in everyday contexts each lead to products falling out of consumers' mindsets in decision-making situations and not being considered. When brands or entire categories become irrelevant, we also speak of "forgotten categories". Consumers know less and less why they should use something; they simply forget the benefits and occasions. This can be observed with categories such as tights, pyjamas, cognac, kefir, clarified butter, limburger, rollmops, TV magazines, but also with sweet and snack items such as crackers, toffees, sour drops, malt sweets and many other hard candies.

But brand concepts such as Scho-Ka-Kola, TriTop, Yes or Ahoj also have a hard time not being forgotten across generations. If the limitedness of the contexts of use is also taken into account, chewing gum, rusks, boxes of chocolates, (Sunday breakfast) honey and other categories must also be included.



Image 1: The aim is to find codes for positioning relevant everyday contexts efficiently and unambiguously with brands and with WOW! and WoM ("amazement") among consumers.

If products are forgotten and possibly afflicted with numerous negative prejudices, this automatically leads consumers into mental dead ends: A situational or regular use does not impose itself. Product innovations or line extensions are a proven attempt by many branded companies to revive their branded products in forgotten categories. In the rarest cases, however, these measures or an uplift in packaging lead to a recharging of the category.

In order to achieve this, the respective market leaders of such dormant sectors would have to take the lead - also in order not to get caught in the dead-end vortex as a brand sooner or later. Diversification strategies can be helpful, but also retro-positioning, regionalisation or the communicative now-first-right attitude, as was the case with Astra, fritz-kola, Fisherman's Friend and the like. The decisive factor will be whether the "broadcast" consumer approach touches the central trigger point that gives the receiving consumers easy access to want to change their behaviour in everyday contexts.

Finding efficient ways out of the crisis

The primary objective of marketing activities should still be to change consumers' perception of a brand or category in such a way that their decision-making behaviour is altered in a significantly more positive way. People usually choose products and brands not only because they like or dislike them, but because they "simply" offer the best solution in certain situations. For this reason, efficient brand management manages to "trick" the brain with its predetermined routine actions and cognitive scripts. The communicative power of attention with clear occasion and context references supports a possible change in behaviour, but also facilitates the consumer's decision, because this significantly increases the efficiency of the decision.

People from their everyday behaviour

understand out

Ultimately, it is about understanding people from their everyday behaviour and gaining and prioritising knowledge about existing, past, but also future contexts of product and brand use. If, in addition, codes are found how relevant everyday contexts can be clearly positioned with brands, market effectiveness is generated via such "context monopolies" (Figure 1). For brands in dead ends, however, a deeper analytical uncovering of deficits and psychological inhibitions is of limited help.

More important than diagnosing the problem is the development of positive perspectives. In this way, effective market research can be used to develop feasible solution strategies to overcome the impasse. There are quantitative (e.g. category entry point analyses) and above all qualitative approaches to this.

At K&A BrandResearch, we were able to show development paths with the psychodrama approach, how brands can get out of the impasse or how categories can overcome their oblivion.

MARKETING



Figure 2: The repositioning of the Treet's brand as The Peanut Company successfully taps into the growing snacking market trend; here is a scene from the company's trade fair appearance at ISM 2020. (Photo: Uwe Lebok)

Central techniques of psychodrama and its digital applications are role play approaches. The basic idea is to reconstruct a specific everyday situation (e.g. snacking with Netflix) on an imaginary "stage" and make it possible to relive it. By creating contrasts and experimentally changing the situation, feelings and non-verbal reactions become directly visible through an "acting out" of the test persons and can be staged in existing or new contexts. In re-experiencing, everyday contexts can be directed not only to the past but also experimentally to the future. Psychodrama thus places less emphasis on a problematising (Freudian) analysis of the past and more on a behaviourist approach, namely wanting to use knowledge from the past to reshape and master the future.

For brands or categories that are out of context, possible reasons for use must be understood in order to be able to change negative schemas. There are now several examples of successful schema breaks from existing contexts in the confectionery segment. The relaunch of Treet's (Fig. 2), for example, can be equated with a schema break, even if it is more subtle. The current trend of nut consumption in snacking is taken up; accordingly, the peanut is now much more in the foreground at Treet's than the chocolate shell.

Even for brands like Brandt or Dr. Oetker with its numerous baking, cooking and cake alternatives, new contexts can be defined more easily after corona due to mental updating. Predicting the time post coronam at the present time is like looking into a crystal ball. The economic development between a mild recession or socio-political collateral damage will determine how consumers experience their everyday life after the crisis and how they then shape their everyday contexts. Contextual changes cannot be ruled out, whereby confectionery always has a good chance with its core message, namely to give small mood lifts.

If you sleep too long, you sleep yourself to death

Now it is important to understand early on how behaviour in everyday contexts and the role of the brand product on the "context stage" may have changed. If you want to be alive in the future, you have to be experienced by tomorrow's consumers in their everyday lives. The drama of the Corona crisis can also be a great opportunity for brands in the impasse to design new contextual approaches to the consumer.

But one thing is clear: sitting out has never solved problems. This is true for categories that are deadlocked, but also for brands that are rather bobbing along in their market performance. The current crisis has different effects: While the generally fun-focused gastro and event faction with beverages, tourism and cosmetics is experiencing catastrophic slumps, the so-called "toilet paper faction", but also quite a few confectionery and snack suppliers, experienced an unforeseen boom. The tailwind of such products in the context of health, functional precautions, #wholesale, emergency supplies or home cinema should be used to continue the regained topicality also in "normal" times after Corona.

www.ka-brandresearch.de

Author: Dr. Uwe Lebok

Magazine: SG Magazine 06/2020

Translation: DeepL (<https://www.deepl.com/translator>)