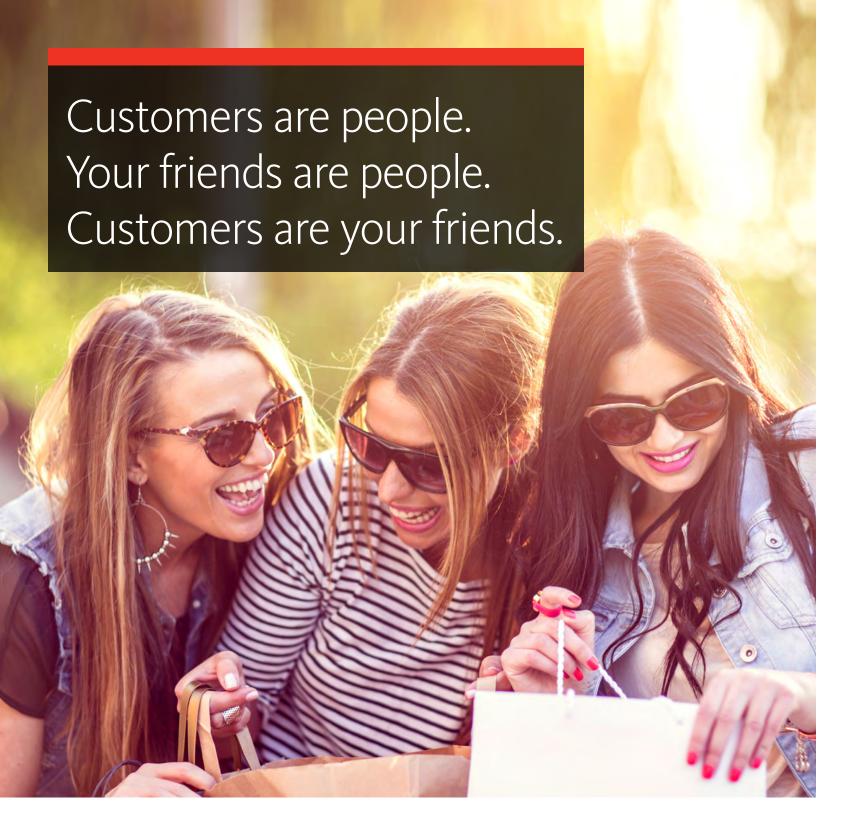
Gensler



2013 BRAND ENGAGEMENT SURVEY THE EMOTIONAL POWER OF BRANDS



Some customers just buy. But others really connect.

without you. And they love it when you love them back.

- How can you tell the difference between the two types of customers?
- How can you tell the difference between a transaction and a relationship?
- What differentiates a purchase from a purpose?

We seek robust measures of emotional connection, which are, of course, inherently more difficult to quantify than the traditional sales data and social media metrics that are sometimes confused with engagement.

To answer these questions, we surveyed 2,838 adult consumers from all 50 U.S. states between December 2012 and March 2013. The online survey invited participants to name their three favorite brands, and the one that feels most important. That single brand was then referred to by name in the questions that followed, with the goal of digging deeper into how and why that brand is so important to that respondent.

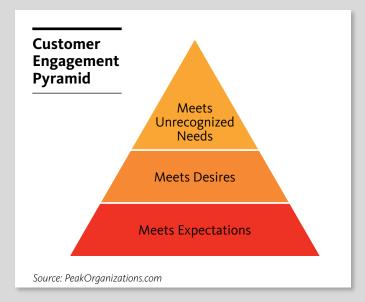
One thing we knew already—true engagement is emotional, **not transactional.** Our measure of engagement had to go deeper. To get there, our survey respondents were scored and sorted into four segments—low, low-mid, mid-high, and high emotional brand connection—based on their response to questions designed with emotional triggers to indicate brand commitment that goes far beyond point of purchase. We looked at values, and definitions of success, and measures of personal fulfillment. We asked about friends and family. And perhaps most important, we asked what matters to each respondent, and looked at each respondent as an individual with unique likes, dislikes, and emotions.

The results of our analysis reveal some fascinating patterns in consumer behavior and brand engagement, and surfaced key strategies for nurturing more meaningful relationships with customers.



In our search for quantifiable measures of engagement, we found inspiration in Abraham Maslow's hierarchy of needs (the classic psychology pyramid with survival requirements at its base and complex needs for fulfillment at the top). Chip Conley, the hotelier and author, analyzes Maslow's pyramid as a tool companies can use for developing strategies to reach peak performance. Conley asserts that businesses achieve true customer engagement when they satisfy needs that customers did not even recognize they had, creating evangelists, and transforming their industry.

We were also inspired by the tenet of leadership expert Simon Sinek that "people don't buy what you do; they buy why you do it." People are inherently loyal to beliefs, not to brands—but are they loyal to brands for the beliefs that they represent? This question framed our research efforts.



A person's favorite brands tend to align with his or her personal values, especially when that brand or company has successfully articulated what it believes.

LINKS Chip Conley and Simon Sinek



Click here to read about Chip Conley's analysis of Maslow's pyramid, or visit http://www.peakorganizations.com



Click here to watch Simon Sinek's TED Talk: How great leaders inspire action, or go to http://bit.ly/dcDsbx

These customers love you. They can't imagine life



Purchases happen with or without emotional attachment. But consumption is a choice, and today's consumers have more options than ever before. Brands must stand out and put effort into the customer relationship or they're likely to be replaced as soon as something better comes along.

above: Terminal 2, San Francisco International Airport, San Francisco, California

▶ RETURN ON ENGAGEMENT

Purchases actually go up when there's emotion behind them, and they're more likely to be repeated too. "High-emotion" customers—those who are truly engaged with their favorite brands—are just plain happier.

And it doesn't end there. Brand connections ultimately help to satisfy the inherent human desire to be part of something, to belong. Our survey respondents who demonstrated the highest level of emotion were also the most likely to say a brand is important to them because "it's popular with my friends." Shared values create tribes, and brands are their badges.

In fact, **94% of our survey respondents are likely or very** likely to recommend their favorite brand to friends or family.

When we love someone or something, we want to shout it from the mountaintops. 51% say they would be willing to wear the brand's logo—the tribe's emblem—on a piece of clothing; another 29% already do.

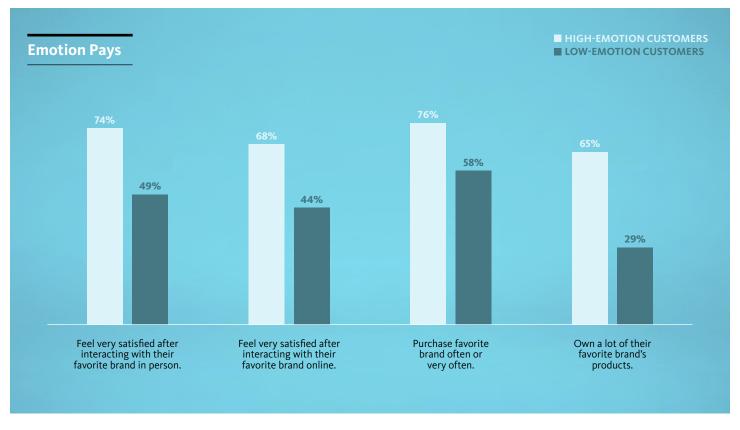
Some consumers are willing to go even further for their favorite brand: 43% indicate a willingness to pay more for the brand's product, even if the identical product were available for a lower price without the brand name. Another 29% indicate that they already pay that higher price. Brands need to recognize the investments, both financial and emotional, that customers are willing to make, and repay the favor.

VIDEO A Day in the Life of T2

A strategy focused on the joy of travel makes passengers want to linger in SFO T2, which became the #1 U.S. airport in per-passenger food and beverage sales after its 2011 renovation.

Click the link below, or watch the video at: http://youtu.be/lvbpUCLZ0IQ







Consumers actively choose brands based on personal values and aspirations. This alignment of values sparks emotion and connection. When someone says, "Wow, you really get me," you know you've met your mate. Brands that "get" their customers are one step closer to cultivating lifelong connections.

I choose brands that match my values: True 87% False 13%

CHOICE

For consumers to feel a connection to a brand's set of values—defined in our survey as what the brand stands for, or stated beliefs that are core to its purpose or position—it's important for brands to articulate those values openly and honestly. 89% of high-emotion respondents indicate that they are aware of their favorite brand's values, versus 63% of low-emotion respondents.

ALIGNMENT

87% say they choose brands that match their values, but respondents were asked to identify their values specifically in order to verify alignment. The personal values most frequently identified by respondents match those they most frequently perceived in brands, demonstrating significant alignment between important personal and brand attributes.

Notable differences appeared in the values mentioned by high- and low-emotion respondents. Values like ambition, courage, and love skew toward high-emotion consumers, while values like capability, logic, and responsibility skew toward low-emotion consumers. This pattern suggests that consumers without emotional connections to brands focus on product attributes and practical functionality—important characteristics, but not enough to build long-term loyalty. These consumers are the most likely to switch brands when they find one that works better.



above: ColorPlus, Chennai, India

LINK ColorPlus

ColorPlus uses research to strengthen its brand for the target customer.





AVOIDANCE

Just as consumers choose brands that match their values, they also avoid brands that go against their values.

I avoid brands that go against my values:



71% of respondents report avoiding brands that run counter to their values. This group was asked to identify what brands they have avoided. The list that emerged underscores the emotional nature of brand connection—there's a fine line between love and hate. Industryleading brands tend to generate a lot of passion and occasionally even stir up drama. Among the 15 most important brands and the 15 most avoided brands, 8 brands show up on both lists.



above, opposite: McEvoy Ranch, Ferry Building, San Francisco, California

Most **Important Brands**































1. APPLE











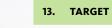














14. Levi Strauss



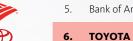






























1. WALMART









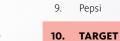
2. Chick-fil-A

4. APPLE

8. NIKE





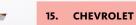




12. Abercrombie & Fitch



14. Budweiser







Many of these brands are widely recognized for the headlines they create: often positive, occasionally negative—but negative attention is still attention, and there are many consumers around the U.S. who will rally around just about any cause. Consider Apple's much-lauded influence on the way music is heard and sold, media is consumed, and photographs are taken and shared. The iPhone, iPod, and iPad have become such a major part of everyday interactions that it's no surprise Apple is many consumers' favorite brand. Other survey respondents, though, articulated discontent over Apple's restrictive software, high pricing, and overseas labor. One respondent commented, "[I avoid] Apple because they are too pricey and although their products are innovative, they constantly introduce new products with minute differences;" this sentiment was echoed by several others.

VIDEO McEvoy Ranch

The McEvoy Ranch retail store embodies the company's commitment to authenticity, generosity, and family.

Click the link below, or watch the video at: http://bit.ly/16VtXYW





Companies don't create brands, people do. Companies create new services, products, names, logos; but **it's customers—people—who give these creations life and longevity** by making them a part of their own lives. Like a relationship between two people, it takes effort to create an emotional connection that lasts. Our research suggests that relationships built on ambition, honesty, and trust have the most impact, and there are notable patterns in consumer behavior that that signal readiness to engage in a relationship with brands.

QUALITY + VALUE

To reach the top of Maslow's pyramid, brands must have a stable foundation. Quality emerges as a clear priority driving loyalty and choice. And while quality alone doesn't create real engagement, a brand can't reach the peak of the pyramid without that solid base.

Price is another part of that foundation, particularly for retailers. But price proves to be as much about value as it is about a dollar amount: as noted earlier, 43% of respondents are willing to pay more for their favorite brand, and 29% already do. When something is an important part of our lives, we place more value on it.

Price is a higher contributor to loyalty for low-emotion respondents (38%) than for high-emotion respondents (25%). Customers who lack emotional connections with a brand are more likely to remain focused on practical attributes that are often easily satisfied (or even replaced) by any number of products or services.

AVAILABILITY + PRESENCE

Product availability is also critical. The primary way consumers make an in-person connection with their favorite brand (84%) is by making a purchase—double the number-two interaction, which is visiting to see what's new (42%). Similarly, the number-one factor driving satisfaction—and dissatisfaction—with in-person interactions is availability of the product.

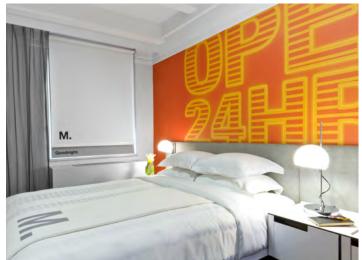
Being available does not just mean a product sitting on a store's shelf. Engagement requires commitment and consistency across a variety of marketing channels, so brands have to be present when, where, and how it matters to target customers. 42% of all survey respondents and 56% of the 18 to 34 year old group connect with their favorite brand through online channels, and within that group, brand websites and Facebook gather the most clicks across all age groups.

Quality far outranks any other attribute contributing to brand loyalty:

Quality	72%
Trust	48%
Familiarity	39%
Price	32%
Effectiveness	28%
Innovation	20%
Design	19%
Other	4%

When online, how are you connected to your favorite brand?

Brand Website	74%
Facebook	49%
Brand's Mobile App	17%
Twitter	14%
Other (third-party sites such as Yahoo, ESPN, AOL, etc.)	8%
Pinterest	5%
Foursquare	2%
Yelp	2%





opposite left: The Milford Hotel, New York, New York

opposite right: DoubleTree by Hilton Little Things Project

HUMAN CONNECTION + HAPPINESS

Social media opens the door to two-way connections with today's consumers. Paying attention to even casual, semi-anonymous messages on Twitter, for example, can offer insights into when, where, and why a customer is using your brand in more qualitative ways that traditional forms of research can't offer. In our own survey, we invited respondents to tell us why their favorite brand is so significant, and the results are compelling.

The impact on our family and friends of the choices we make is a recurring theme, as is the desire to feel important and taken care of—or to feel like we're taking care of someone else. People hold these human connections most dear, and brands are the tools that help us strengthen those connections.

Throughout our survey, emotions run high when respondents discuss elements contributing to personal satisfaction and happiness. What makes someone feel successful? Across every age group, gender, and brand category, family always comes first; and in general, consumers feel most fulfilled where family is concerned too:

Top-Five Elements Defining Success (% fulfilled)

#1 Priority: Having a Happy Family	82% slightly higher priority + fulfillment
#2 Priority: Being Healthy	74% for females
#3 Priority: Having a Fulfilling Career	60% slightly higher priority + fulfillment
#4 Priority: Having Money	60% for males
#5 Priority: Having Lots of Friends	72%

For women, particularly those over the age of 35, the priority placed on family is even higher, while career is a slighter higher priority for men. Respondents aged 55 and older indicate that friendships and health are higher priorities than they are for younger demographics. These are the kinds of personal priorities that—when acknowledged or addressed by brands—can help consumers feel like they're their best, edging closer to the self-actualization that we find at the top of Maslow's hierarchy of needs.

The desire to be one's best is confirmed when consumers are asked why their named-brand is so significant: 46% respond that it's because "it makes me feel good." 52% offer the same feel-good rationale when asked why they use, consume, or wear their favorite brand so often—second only to overall satisfaction with the brand experience (72%).

Why is your favorite brand so significant?

Impact On Family



"It's entertaining; a brand to enjoy with family."



"My grandfather used it."

LANDS' END "It pleases my granddaughter."



"It takes care of my cats and helps me give them a good life."



"It makes my wife happy."



"It keeps my child safe."



"My child loves their products."



"It takes care of my new baby."



"Family experiences."

Personal Passion



"Travel is my passion."



"I live to ride, ride to live."



"I love reading; I love books."



"My love of the game."

Traditions



"I've loved the Cubs for over 50 years."



"It is my favorite team since childhood."



"My iPad Mini is my life companion."



"It's been around in my world all my life."



"It's where I spent my honeymoon."



"Childhood memories."

Feeling Taken Care Of



"I feel my business is appreciated."



"I'm not well so I have to stay at home a lot. Watching WWE provides a nice break for me."



"Going through cancer treatments; feels good on skin."



"I could not survive without my meds."



"Makes me feel safe traveling."



"It takes care of me."



"They care about my business and show it."

People



"I love the reporters and the way the news is done."



"It's owned and operated by amazing people."

facebook

"Keeps me in contact with those I don't normally see and connects me to the world."

Social Benefit



"They give back to the community."



"For every pair of shoes you purchase a pair of shoes is donated to a child in need."



"They truly help others."

SPACEX

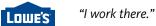
"It gives potential to the future."

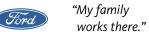
TRADER JOE'S employees and

the community."

"They are kind to

Employment







"I retired from there."

GETTING PERSONAL

Connecting with customers on an individual, personal basis is often the missing piece in the engagement puzzle—only a few leading brands have mastered these human connections. A focus on people and the relationships between them is the only way to add emotion to the mix and drive lifelong loyalty.

Favorite brands are very personal and often unique to each individual, after all. Though brands like Apple, Nike, Ford, and Amazon were mentioned relatively frequently, the 15 most important brands in our survey represent only 30% of the total responses. The majority of brands were mentioned only 3 or fewer times. This underscores the imperative for companies to look at each customer independently and connect on a personal

level no matter what kind of product or service they're selling. For example, while many consumers may not give serious thought to mayonnaise, one senior respondent identified 100-yearold Hellmann's mayonnaise as her most important brand, citing trust and the fact that she's had a connection to it for a long time as the sources of her loyalty (perhaps not surprisingly, the same respondent mentioned that she avoids generic store brands). Another respondent demonstrating high levels of emotion named the website AmazingFacts.org, and yet another cited Practical Horseman magazine as her favorite because it makes her feel good and represents her personal ambition (again not surprisingly, this respondent avoids brands that test products on animals).

opposite: Horizon Connect, Moorestown, New Jersey

The things consumers feel attached to can be deeply personal, even spiritual, and values are often at the core of the deepest connections.





INTEGRATION

Respondents with high-emotion tendencies are almost two times more likely than low-emotion respondents to say their favorite brand is part of their daily routine. Integration means different things to different consumers, and for many, online connections go a long way to foster conversation and connection: 33% of Twitter users and 28% of Facebook users have become brand evangelists—posting personal messages about their favorite brand for all of their friends and followers to see.

Connection happens across multiple channels today, but the inherent drive for human connection is what brings customers out to touch and feel and talk: high-emotion respondents are twice as likely to sample or try products in person before purchasing as lowemotion respondents (52% vs. 26%).

The high-emotion group is also 36% more likely than the low-emotion group to ask staff for advice or assistance in person. The personal touch goes a long way toward establishing trust.

Once this relationship is established, consumers don't want it to end. When asked "How would you feel if [your favorite brand] went away or no longer existed," **51% of respondents said they would be devastated**—and devastated is a strong word. It's like the high school boyfriend or girlfriend who broke your heart; you thought you'd never be able to love anyone else again.

LINK Horizon Connect

Horizon Blue Cross Blue Shield of New Jersey is rolling out brickand-mortar retail stores to give health insurance a human touch.



Click here, or visit our blog at: http://bit.ly/1dX06hP



Twitter appears to be a particularly compelling platform for the male demographic. Men are nearly twice as likely as women to connect with their favorite brand on Twitter, and are 42% more likely than women to contact their favorite brands through Twitter.

THE BRAND OF ME

Personal touches can add excitement to any relationship—even little things like a handwritten note in a child's lunch box or a chocolate kiss left on the pillow. When a brand offers similar surprises and exceeds expectations, it earns commitment. When asked what makes their favorite brand so significant, consumers' number-one response (64%) is "I have been connected to it for a long time." But this can be an indicator of habit as much as real engagement, so it's important to consider other motivators. Look for signals of lifelong traditions, or impact on the people one holds dear, like the respondent who noted that TiVo is his favorite brand because it keeps his wife happy, or the woman who buys Lands' End so often because it pleases her granddaughter. This is love.

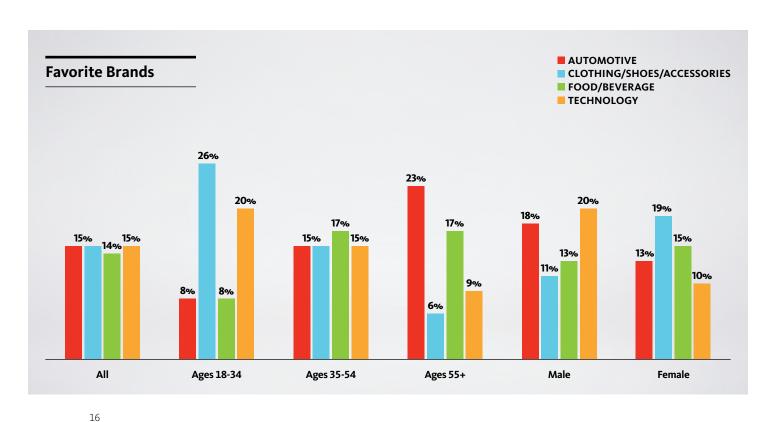
With the 18 to 34 year old demographic, the desire to use brands to make social connections and statements is particularly important—brands can help young adults strike the balance between popularity and independence. After all, this is the age group with the highest levels of emotional connections to brands, and

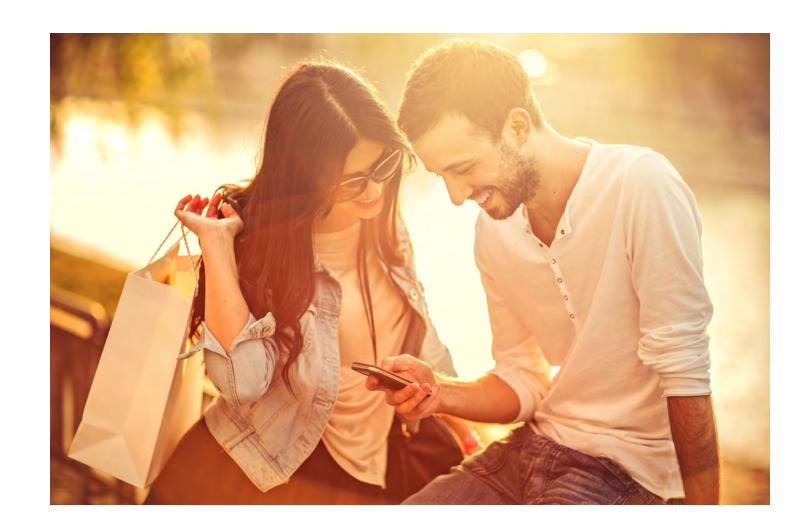
they're most likely to say a brand is important to them because "it's popular with my friends." They also connect most with clothes, shoes, and accessories and with technology and are more likely than older consumers to use or wear their favorite brand often or very often because they "like the statement it makes."

In the effort to make a "me" statement, what is meaningful to one person may not matter at all to the next. It's critical for brands to evaluate the likes and dislikes of individual customers and segments in order to inspire engagement. Our survey results reveal some patterns that can help brands start down the path of personalization. For example, there are patterns in the types of brand categories that males and females connect with, or that consumers tend to favor at different times in their lives. Cars were symbols of freedom and sources of connection decades ago, and are still prized by older generations. For the younger set, technology is a source of freedom and connection—allowing them to be mobile and yet constantly in touch, just as the car empowered their parents.



Design is another personalization tool—a way to make a statement—and it once again plays a role in emotional connection. Whereas 30% of high-emotion respondents indicate that design of a brand influences loyalty, only 13% of low-emotion respondents tend to regard design as an influence.



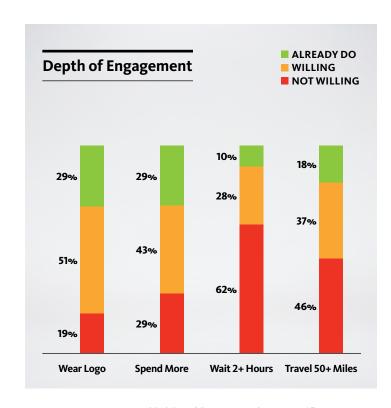


IDVE 'EM OR THEY'LL LEAVE

78% of consumers consider themselves brand-savvy—

they have strong opinions about brands and what they stand for and they pay attention to the brands that they're buying. 54% would find another brand offering the same product or service if their current favorite went away. Respondents ages 55 and over—the group with the lowest levels of emotional connections to brands—are more likely than younger age groups to say they would find another brand.

There is, after all, a limit to the lengths most brand enthusiasts will go. Thanks to the increasing ease of online shopping and home delivery, just a small margin is willing to travel more than 50 miles if their favorite brand was only available at a distance; 46% would not make this effort. Only the most die-hard are willing to wait in line for more than 2 hours to get the latest offering from their favorite brand: 62% would not. Perhaps not surprisingly, it's the respondents who favor automotive brands that show the most willingness to wait long spans of time or travel long distances; their favorite brands are already a big investment, which is often worth the wait. Sports brands tend to generate similar go-the-distance passion.





The most successful brands connect with customers far beyond the level of a simple transaction—creating a level of engagement that drives action and evangelism.

That sort of attachment can be very emotional for customers, and needs to be recognized as such by the brands they have chosen to engage with. Consider when two people become engaged: they are making a promise to each other. Their relationship is long-term, two-way, and very, very personal. They've become so integrated into each other's lives that they can't imagine life without the other—they make each other better. The strongest consumer/brand relationships achieve similar emotional attachment, both in the level of connection and in the opportunity for mutually beneficial outcomes. Our research illuminates the path to this level of engagement.

Step 1

Deliver

Remember that you must deliver the basics of your brand promise before all else. If you have committed that your brand will be the lowest-priced in your category, or all-natural, or available 24/7, or made only in a small town in France—follow through, and focus on getting that right every time. Your customers will tell you (and everyone else) when you've gotten it wrong or broken that promise, and they'll leave you behind quickly unless you swoop in even more quickly to amend your mistakes, openly and honestly. This is baseline, and must be present at the foundation before building the other layers of the engagement pyramid.



Master the basics of your brand promise and listen to your customers in order to understand what matters.

Step 2

Declare

Stand for something with authenticity and authority, and let others know what you believe in. Customers choose brands based on their most personal values and aspirations, so those who share your values will hold you in high esteem. You are likely to gain new like-minded customers who take note of your declaration, while you also might lose a few customers who disagree with your convictions—and that's okay. The detractors would have found an excuse to switch brands sooner rather than later anyway—the emotional connection just wasn't there.



Stand for something with authenticity and authority.

Step 3

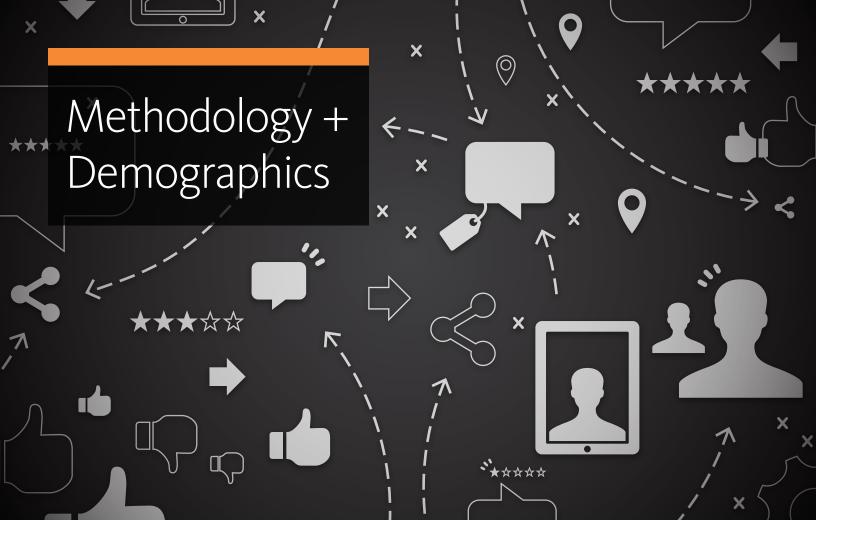
Delight

Personal, emotional connections are often the missing piece in brand strategies, and they are a crucial way to create real engagement. It's the little things: remembering a repeat customer's name and favorite products, or acknowledging a comment on social media, or offering spaces for brand enthusiasts to gather and sample your latest and greatest. These statements reinforce that each individual customer is important to you, and that you treasure the relationship they've been willing to enter. A two-way relationship built on the foundation of mutual respect is the surest way to reach the pinnacle of Maslow's pyramid.

In return, customers become enthusiasts and ultimately evangelists. Without your even asking, they're out in the world telling friends and family how much they love you. And that's invaluable.



Leverage emotion into engagement with human connections.



Between December 2012 and March 2013. Gensler surveyed 2,838 adult consumers from all 50 U.S. states; surveys were distributed by GMI Research using a link to an online survey designed by Gensler on the Survey Gizmo platform. GMI used panel quotas to achieve an almost 50/50 split between male and female respondents, and an even distribution of six age groups: 18-24, 25-34, 35-44, 45-54, 55-64, and 65+.

> The online survey started by posing two open-ended questions: "What are your three favorite brands?" followed immediately by "Which of your favorite brands feels most important to **you?"** The first of these questions allowed the respondent to type any three brand names that came to mind; the followup question then listed those three favorite brands—exactly as they had been entered by the survey respondent—and asked which of the three felt most important. That single most important brand was then referred to (by name) in a majority of the questions that followed in the remainder of the survey.

Dr. Susan Hogan, the managing director of Actionable Results Research, LLC, and an adjunct assistant professor of marketing in the Goizueta Business School at Emory University, conducted initial data analysis. She provided Gensler with a report on her analysis titled "What Brands Matter and Why," identifying patterns in the types of brands that consumers connect with across age groups and genders, as well as patterns in what motivates consumers to establish those connections.

In addition to basic quantitative analysis of respondents' questions and answers—comparing results across demographic groups and brand categories—respondents were also scored and sorted into segments of low, low-mid, mid-high, and high emotion based on their responses to specific questions that had intentionally been designed to include emotional words or phrases, such as those listed at right.

[My favorite brand] makes me feel good.

I would be devastated if [my favorite brand] went away or no longer existed.

I've visited [my favorite brand] in person when I need a pick-me-up.

I am very likely to recommend [my favorite brand] to friends or family.

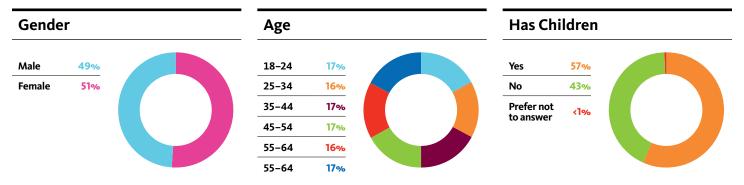
I've posted messages or reviews about [my favorite brand] on social media.

I wear [my favorite brand]'s logo on clothing.

I am willing to spend more for [my favorite brand].

I am willing to wait in line for 2+ hours or travel 50+ miles for [my favorite brand].

I save [my favorite brand] for special occasions.



Marital Status

ingle, never married	27%
iving with significant other, but not married	8%
Married or partnered	51%
Separated or divorced	10%
Widowed	4%
Prefer not to answer	<1%

Employment Status

Employed full-time	35%
Employed part-time	11%
Self-employed	7%
Unemployed	17%
Student	7%
Retired	22%
Prefer not to answer	1%

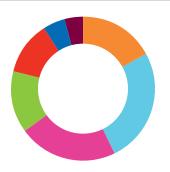


Education

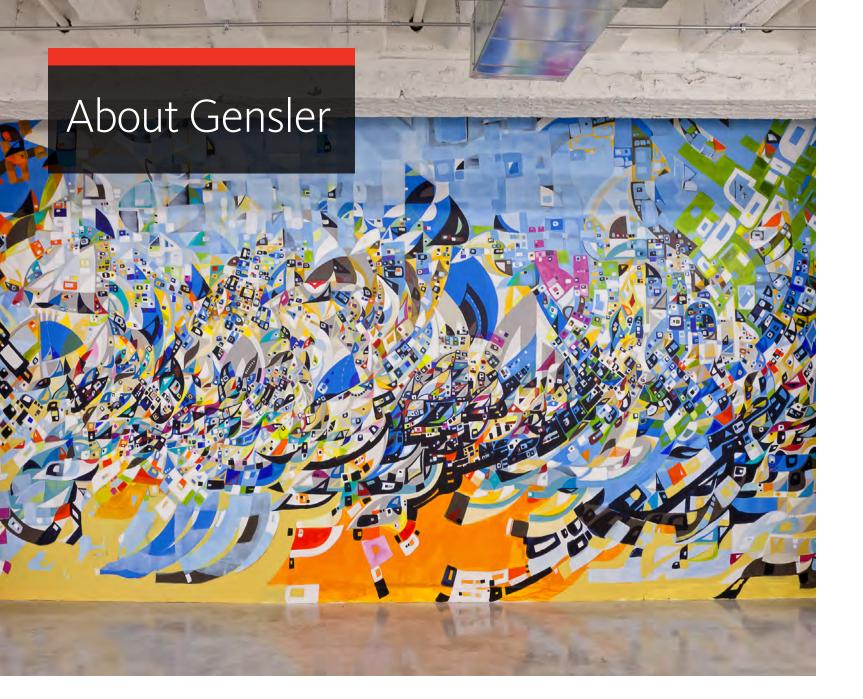
Some high school	2%
High school graduate	17%
Some college	33%
College graduate	33%
Postgraduate/ professional degree	15%
Prefer not to answer	<1%



Household Income



20



LOCATIONS



Abu Dhabi	Chicago	Las Vegas	Philadelph
Atlanta	Dallas	London	Phoenix
Austin	Denver	Los Angeles	Pittsburgh
Baltimore	Detroit	Mexico City	Raleigh-D
Bangalore	Doha	Miami	San Diego
Bangkok	Dubai	Minneapolis	San Franc
Beijing	Hong Kong	Morristown	San Jose
Boston	Houston	New York	San José
Charlotte	La Crosse	Newport Beach	San Ramo

São Paulo Seattle Seoul Durham Shanghai Singapore Tampa Tokyo Toronto Washington DC

Gensler is a global design firm that partners with clients to make cities more livable, work smarter, and leisure more engaging. Our 3,800 professionals networked across 45 locations believe quality design can transform organizations and improve people's lives. Since 1965, we have helped clients achieve measurable business goals, delivering projects as large as a city and as small as a wine label.

above: Mural at 1871 Merchandise Mart,

Chicago, Illinois

PHOTO CREDITS

Nic Lehoux: SFO T2, page 4 Prasad Durga: ColorPlus, page 7 Sherman Takata: McEvoy Ranch, pages 8-9 Chris Leonard: The Milford, page 11 (bottom left) Gensler: DoubleTree by Hilton, page 11 (bottom right) Chris Leonard: Horizon Connect, page 15 Antuany Smith: 1871, page 22

2013 Brand Engagement Survey is produced by Gensler ©2013 and should not be reproduced in part or in whole without permission.

VIDEO Brand Design at Gensler

Brand is personal, and so are we. We believe it takes passion, curiosity and courage to deliver design that works. Here's a look at what fuels us.

Click the link below, or watch the video at: http://youtu.be/vXR1hodsnNk



Gensler.com GenslerOn.com facebook.com/GenslerDesign twitter.com/GenslerLfstyle

