

PERCEPTIVE



# BRAND HEALTH CHECK

DETERMINE YOUR BRAND HEALTH.  
CHALLENGE IT. MEASURE IT.



Developing a strong brand that embodies everything you stand for will help you withstand external currents and tough competitors.

This eBook includes important questions to ask when determining your brand health.

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01

## THE IMPORTANCE OF A HEALTHY BRAND



## THE IMPORTANCE OF A HEALTHY BRAND



### Brand health: a definition

A healthy brand is a combination of the following:

- » Your business vision, mission and brand values are clearly articulated across your business. This includes on your website, social media, marketing and even the language your employees use.
- » Your brand has a set of visual elements (colours, style, imagery) and has a clear message that communicates your story instantly (think elevator pitch).
- » Your brand is consistent across every type of communication (internal and external) and across all media channels.

### Internal and external applications of brand health

Brand health transpires across all areas of an organisation—internal and external. To carry its message internally, it needs constant repetition to help employees fully adopt and communicate it. Only when your employees are on board will it be strong enough for potential new customers and an external audience to take notice.

### Cut through the noise

Imagine all the types of media your potential customers are exposed on a daily basis: video commercials, online ads, radio ads, billboards, emails, cold calls. Your brand needs to be strong enough to stand out and cut through all of that noise.

Your brand lives in the mind of the consumer. Only those brands who master brand health can push through the clutter and sit tight at the top.

### Why focus on brand health?

Why is the brand important? Consider this quote from John A. Quelch, from Harvard Business School:

*“For many non-profit organisations and consumer goods companies, their brand is, along with their people, the most important asset they have.”*

A strong brand is a crucial factor for any successful organisation. Brand health is not just about how much revenue your company generates, but a brand's ability to generate customer affinity and salience. Failing to have a strong brand can affect a business's to sell, to attract and hire the talented staff, and to grow. Without it, your bottom line suffers.

“ Brand health transpires across all areas of an organisation—  
internal and external. ”

02

FIVE QUESTIONS TO TEST  
YOUR BRAND HEALTH



## FIVE QUESTIONS TO TEST YOUR BRAND HEALTH



When you want to determine brand health there are several ways to go about it. Here, we'll go through a list of important questions you need to ask yourself in order to get closer to creating a strong brand. These questions will help you form an idea of what your strengths and weaknesses are for your brand and where you can improve.

Whether you are a start-up, mature or established brand this is a valuable exercise to run through.

### 1/ Do you have a clear understanding of what you're trying to achieve? Does your team?

This is where it's important that you've taken the time and effort to develop and clearly communicate your brand vision and what your mission is. Crucially, you will have created a document that summarises this and shared it with your team so they can communicate it to others in the business—and beyond it.

### 2/ What does your brand stand for?

Determine what your actual values are. This goes beyond your brand vision and mission. Are you honest, thorough, natural, cheap and cheerful, family-oriented, fashionable, or serious? Does [your brand](#) resonate with freedom, wealth, adventure or safety?

Create a shortlist of about ten brand values and then cull out five. At the end of the exercise, you should have three to five core values that communicates your brand in a nutshell. These values must be ones that your employees can understand and stand behind—and ones that your consumers feel an affinity to.

This brings us to the next point: do your brand's values resonate with what consumer's value in your market?

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To become a successful business, it is critical to know and truly understand your customer base.

”

### 3/ What's important to the consumer?

To become a successful business, it is critical to know and truly understand your customer base. Look not just at your customer demographics, but also at their psychographics as well as their wants and needs. You will need to have gathered the relevant and appropriate information through a customer feedback tool, such as [Customer Monitor](#), and analyse this thoroughly.

For example, if one of your core brand values is that your product is “natural”, how important is that to your consumers? Is there a core competitor that dominates in that space? In that case, are you willing to compete with that? Which leads to our next point.



## 4/ What are your competitors doing?

To know and understand your competitors and their context in the market, you will have thoroughly analysed your competitors, their offerings and price points, your marketplace, your audience segments and so on.

Also, you will know the strengths and weaknesses, and opportunities and threats in your own market. To ensure you've done this correctly, we recommend enlisting the [help of a brand consultant or strategist](#).

## 5/ How can you differentiate yourself?

Once you understand all of the above points, you will need to build the case for how you differentiate yourself.

This can be your price point, but more often than not, it's something that makes you incredibly competitive—something that no other brand can provide. Consider any clever features your product or service has, if you have the best customer service by a mile, the newest technology or regularly updated iterations—take these aspects of your business and use them to build a name for yourself in the marketplace.





03

## NINE STEPS TO ASSESS YOUR BRAND POSITIONING



# NINE STEPS TO ASSESS YOUR BRAND POSITIONING



Following on from the previous chapter, these questions dig a bit deeper. With this process, you can assess your brand position and get an idea of how healthy your brand is.

These questions are somewhat reworked versions of those posed by non-profit Brand Strategy Consultant, Michele Levy, author of [Building Your Brand: A Practical Guide for Non-profit Organizations](#). Although originally written for non-profits, we think they're applicable for all businesses as they align with industry standard practice.

1. Is your organisation changing? Are you growing, merging, revising your strategic plan, changing your name, or moving from being a local to a regional or national brand?
2. Is your market changing? Are there behavioural changes in the marketplace that impact your products or services?
3. Do you have different clients now to what you did when your brand was first developed? Is your core client base (where you get most of your business from) evolving?
4. Do you feel like people should know about your brand but they don't? Do you feel that people know that you exist but not why they should care?
5. If you ask 10 people in your business "What is our mission?" will you get 10 different answers? Will they know at all?
6. Can your leadership team explain your vision, mission, and values and how all the pieces fit together, are they the only ones that can?
7. Do you have multiple or duelling logos that are used seemingly randomly?
8. Are your communications consistently consistent, not just visually, but also in their messaging?
9. Do you lack comprehensive brand and messaging guidelines that are used by everyone, both internally and externally?





04

HOW TO FIND THE RIGHT METRICS TO MEASURE BRAND HEALTH





## HOW TO FIND THE RIGHT METRICS TO MEASURE BRAND HEALTH



In this chapter we explore some of the most common metrics used to measure brand health and performance.

### Behaviour metrics

How does the brand behave? How do our own actions and employee's behaviour marry up with what we say the brand stands for?

Countless separate research studies confirm that increased employee engagement leads to higher financial performance, higher customer satisfaction and higher employee retention.

Behaviour metrics incorporate both internal (management and employees) and external (market-related) factors. Internal branding aligns with leadership and business strategy by reinforcing corporate culture.

It's important that managers effectively communicate the value proposition to employees and support their teams with the resources needed to achieve organisational goals. If employees understand the brand fully—its values and premise—this means their commitment to the brand will deliver favourable brand experiences to customers.

You can use monthly employee surveys to gather feedback and help ensure that your teams work in a customer-centric way. Your external branding efforts reinforce your customers' perceptions, customer experience, and the brand value proposition.

**Example:** Customer satisfaction with recent employee interactions.

Related content: [The Leadership Guide To Employee Engagement Strategies](#)

### Perception metrics

A strong brand is all about perception. These metrics look at the way a brand is viewed by its customers and other key stakeholders. Brand funnels are one common example.

You're measuring if customers are aware of your brand and its relevance to them. With the continued rise of social media, brands need real-time data to measure their social initiatives and need to understand how these factors impact their entire brand performance, brand awareness, consideration and trial.

The reason we need to look at more modern versions of funnels is that most of the global internet users search for product reviews online, or feedback from social media sites before making a purchase decision. Word of mouth is now king.

**Example:** The likelihood of a brand being recommended to friends and family.

Related content: [How to trigger word-of-mouth marketing for your business](#)

“

A strong brand is all about perception. Word of mouth is now king. ”

## Brand image metrics

Another measure of perception is brand image. Here, you're looking at how your brand is perceived in the marketplace.

What do key audiences believe about your brand, and what feelings does your brand induce? If you measure brand equity, you're tracking the lasting brand perceptions, brand characteristics and what your consumers associate with your brand.

This is crucial as brand perceptions strongly influence how customers think and act. The more positive those perceptions are, the more likely they will be to influence purchase decisions and add value to your business.

If you're not in a position to fully understand consumer perceptions of your brand, you can't effectively market your brand and grow your business.

By measuring and quantifying peoples' perceptions of your brand, you can understand where you stand in the market relative to your competition, what key features of your brand are actually "owned" by competitors, and determine whether customers purchase your product, recommend your company to others, or turn to your competition.

Achieving good brand health always begins with understanding the consumer's mindset. Use your customers as a starting point when developing and improving your brand (or your products and services).

**Example:** Recent overall experience rating with a brand.

**Related content:** [Identify the moments of truth in your customer journey](#)





## Performance metrics

Performance metrics are the financial and other performance measures that drive a company forward and help you determine your overall brand health.

These metrics evaluate how customers “act” on the perceptions they have formed. They also can help assess how your brand-building initiatives directly drive your results, ranging from price premium to loyalty to the lifetime value of a customer.

## Estimate financial value or your brand equity

Thanks to these measures, you’re able to estimate the accurate financial value of your businesses’ brand equity. It’s therefore important to monitor how the brand is performing relative to overall your business goals, and to measure this from both a financial and customer perspective.

You also want to measure your brand loyalty and how likely it is for your customers to stay your loyal customers. How do customers respond to your brand?

If you’re able to attract a large amount of (high-spending) consumers towards your brands, you’re obviously more likely to be successful. But then, in order for your brand to survive, you need to retain your current customers and to make them loyal to the brand. This is where you measure customer acquisition, retention, and satisfaction all contribute.

In order to measure business impact, you want to look at what your brand’s financial impact is in the marketplace. How do customers act on their thoughts and perceptions about the brand?

Today, your customer brand perceptions and purchasing decisions are increasingly influenced by online communications and social networking platforms.

## Automated monitoring to measure word-of-mouth

Gathering negative customer feedback is useful for identifying customer preferences or improving your product if your customers are experiencing issues. Therefore, using an online survey software can be used as an early warning system. Automated monitoring is an objective tool for the measurement and analysis of word-of-mouth, because people tend to construct their opinions differently than they might when not being observed.

Finally, conducting market research and using brand perception or recognition surveys to determine how your target customers perceive your brand and if they recognise it, is helpful in determining whether you customers associate the right values, products and services with your brand.

## Real-time data to facilitate decision making

Brand recognition surveys can also be used as a tool to uncover more intangible information, such as consumer perceptions, about your products or services.

All businesses benefit from a comprehensive assessment of their brand, which results in meaningful insights that can facilitate executive decision-making.

Your brand perception becomes more valuable as global competition continues to increase the complexity for all businesses. To provide a comprehensive view as a basis for executive decision making, brands need reliable real-time metrics.

**Related content:** [4 ways to use Net Promoter Score to improve business performance](#)



05

ANALYSING BRAND PERCEPTION WITH THE CONVERSION FUNNEL



# ANALYSING BRAND PERCEPTION WITH THE CONVERSION FUNNEL



Undergoing a complete brand health check is like any other health check you would undertake; much like when you go to the doctors and have to complete several tests to determine where it hurts, or why.

There are usually multiple layers to examine, and it requires a thorough examination of all elements before you can get down to the true problem. This is a top-line overview of how to complete a health check and analyse brand perception using the conversion funnel.

## What is a brand funnel?

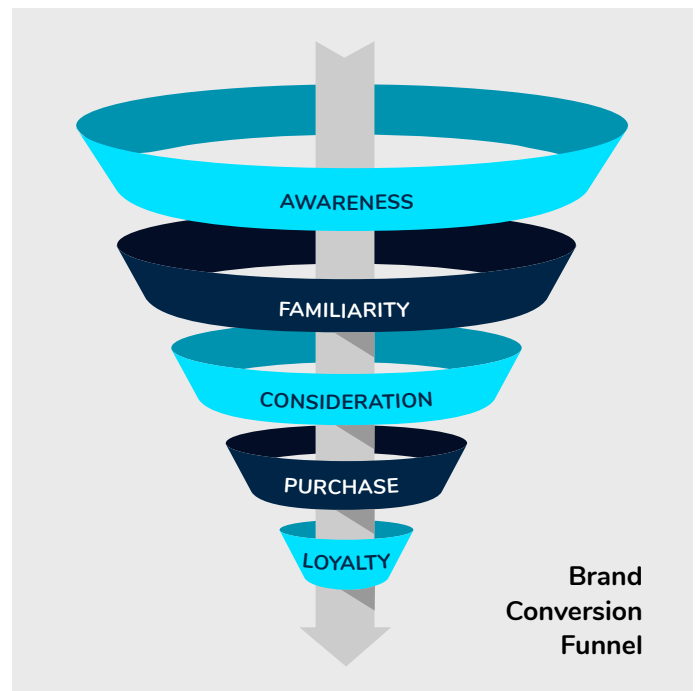
One of the more traditional conversion funnels (also referred to as the “purchase funnel”) with the following layers—starting top to bottom, ordered by size:

1. Awareness
2. Familiarity
3. Consideration
4. Purchase
5. Loyalty

After the purchase, your customers can either choose to be loyal to the brand or disloyal, depending on their customer experience.

## Analysing your brand funnel

1. **Awareness:** Awareness is the first stage of the funnel. Potential customers are drawn into this stage through marketing campaigns, consumer-led research and discovery. What is your target audience’s level of awareness and how do they become aware of your brand? When assessing this stage of the funnel it is important to measure both prompted and unprompted awareness.



2. **Familiarity:** At this stage, the potential customer has decided they want or need a product/service similar to yours. They are likely to start reading reviews, learning the features, making comparisons and asking for opinions. Through this process they’ll start developing an affinity and base level of trust for related brands. How do they feel about yours?
3. **Consideration:** At this stage the customer has developed a more specific desire to explore your brand. This presents an opportunity for brands to strengthen their relationship with potential customers by clearly differentiating themselves. If potential customers are considering 3-5 brands at this stage, how different and unique is yours?

- 
4. **Purchase:** How can your customers go about purchasing your product or service? Are you making it as easy as possible for them? Can they provide feedback so you know what to improve for next time? If they have problems with their purchase, is it easy for them to connect with your customer service?
  5. **Loyalty:** How can you ensure they remain loyal to your brand? Are you sending them loyalty offers? Will you be targeting them with cross-sell or upsell offers so that you optimise your revenue opportunities without losing them as customers?

Your brand funnel allows you to see potential indicators of your future performance, how you're tracking, and where you can improve. Every brand will have a unique brand funnel, with specific strengths and weaknesses.

## Brand wealth versus brand health

It's crucial that you understand the details of your brand funnel: what's causing your strengths, weakness and any changes that your brand has gone through, especially when

looking at the year before or what your gaps are compared to your competitors. At the very least, you should be tracking and measuring your Awareness, Purchase and Loyalty rates.

Sales, shares and profits are the evident tangibles of how well your brand is performing. They are the end result and they are easy enough to measure. We can refer to these as "brand wealth". But there's more to a brand than sales figures alone, and they're the output of the "input" of the brand funnel so to speak.

When you look at brand health, you need to look at how well the brand funnel performs, the voice-of-customer, your customer satisfaction scores and any major changes in market trends. Consider these intangible brand health metrics next to your tangible brand wealth metrics. The brand funnel is a great tool to ascertain the true health of the brand before these measures even show up in sales reports.





06

## THREE QUESTIONS TO CHALLENGE YOUR BRAND STRATEGY



## THREE QUESTIONS TO CHALLENGE YOUR BRAND STRATEGY



There are numerous ways to determine whether your brand is healthy or not. We've taken you through a standard brand funnel, now it's time to challenge your brand with these lightning-round questions.

To know if your brand is strong enough to withstand the test of time, you want to challenge it to see if you're your messaging marries up with what your consumers and the wider market associate it with.

Your brand needs to be credible, unique, defensible and strong enough to stand-up to any brands that wish to challenge you. Let these questions guide you when creating any new products or updates.

Is your brand:

### 1/ Ownable?

Can you genuinely own your brand and take it to market with a strong and unique enough proposition? Is it different enough to stand out from the plethora of other brands you're competing with?

What is your unique selling point that makes you stand out? What component transforms your brand into an extremely competitive contender in your field, which is something, that no other brand can provide. This could be anything from having the latest technology to a superior process or product quality.

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Your brand needs to be credible, unique, defensible.

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### 2/ Credible?

Are the products or services you sell actually credible? If you are making claims, can you back them up with actual science, independent testing, big enough sample sizes or are you referring to your own tests? In a nutshell, are you promising something you can't deliver? If you are unsure of this, your customers and your market will tell you, however, by that time it might be too late.

### 3/ Defendable?

If your main competitor challenged your brand, how would your brand defend itself?

This relates back to the previous point about being able to defend the claims that you make. Do you have enough evidence to back up your claims? But more importantly: are you defending yourself even before someone challenges your brand?

If you can support your claims (on your communications materials such as your FAQ's our About Us page) and if they're credible enough, you'll be more likely not to run into the scenario of someone attacking your brand.

For example, if you are claiming that your brand consists of only 100 per cent natural ingredients, do you have independent tests that verify this? Can you refer back to where (which suppliers and locations) you source your ingredients from, your product development process and so on? Check the industry standards for your particular field to get guidance on best practice and compare yourself to other brands in your industry who are successful.

07

## SEVEN WAYS TO IMPROVE BRAND HEALTH





## SEVEN WAYS TO IMPROVE BRAND HEALTH



The word on the street is true. You can't control your brand fully. In today's day and age, your brand lives in the hearts and minds of your target audience. So what can you do to improve it?

Here are seven tips you can use to improve your overall brand health. These tactics will all help strengthen your brand over time.

### Company-wide tactics

- 1. **Your culture.** Every time you hire new employees, consider cultural fit equally as important as job skills. Ensure that everyone you hire shares your brand's values and personality.
- 2. **Brand personality.** Always communicate with personality, to add some edge to who your brand is. This will make you stand out from your competitors and provide something memorable for your customers. From the look and feel of your marketing down to the way you communicate with your customers, express your brand's character every step of the way.
- 3. **Stay nimble.** In order to stay ahead of your market, be opportunistic and willing to take risks. This will help you stay fresh and current for your audience.
- 4. **Inspire and empower staff.** Inspire your team and empower them to be able to make executive decisions which will increase your productivity and results.

### Marketing campaign tactics

To ensure your brand can meet the new customer journey's demands, these three steps are crucial:

- 1. **Seamless cross-platform experience.** Create a seamless and continuous customer experience across all platforms. Be aware that most people move back and forth between their phones, computers, and tablets during their journey. Making it as easy as possible for your customers to return to your site, regardless of the device, is something that needs to be a priority.
- 2. **Attention.** Capture your customer's attention with every piece of communication that you create. Otherwise you'll risk losing them along the way. Even making sure that your website loads quickly will help your business keep its audience.
- 3. **Personalise your communications to every customer.** It's no longer a case of one-size-fits-all, as customers today are way too savvy. Instead, you have to personalise your content every step of the way. Consumers come to your website from all phases of their buying journey, some will be ready to buy, some won't. If you meet them with relevant customised content, it means your chances of getting a sale are increased.

“ Every time you hire new employees, consider cultural fit equally as important as job skills. ”

08

WHAT TO LOOK FOR  
IN A BRAND TRACKER



## WHAT TO LOOK FOR IN A BRAND TRACKER



If you're planning to start monitoring your brand, track performance or change your brand tracker, then it's important to go through the due diligence process.

Your brand tracker should inform all of your brand and marketing activity. A good brand tracker should be able to tell you what to do, where to go and, most importantly, why.

You want tracking that tells you what you should be doing, not just what's happening. Furthermore, if you have a brand expert or strategist to help interpret your results and develop your brand strategies, you'll be a step ahead of the game.

### What makes a good brand tracker?

When you're in the market to get a new brand tracker, check that it has the following features.

- » **Dynamic** – Interactive brand tracking helps you see the results you want to see.
- » **Real-time** – Your tracker is available and accessible in real time, anywhere.
- » **Visibility** – An online, interactive platform allows visibility for anyone in your team whom you have invited to share your results with.
- » **Trend identification** – Does your tracker give you text analytics that display your results in an easy to understand and useful format?
- » **Strategic insights** – Does your tracker give you insights and let you analyse changes over time?
- » **Variety in reporting** – Do you get different styles of brand reporting, so that you can report the way you need to?

- » **Notifications and alerts** – An advanced level brand tracker will also send you alerts when your brand measures shift significantly.
- » **Competitor analysis** – Can you view your entire competitor sets against all of the metrics that matter to your brand?

These features allow you to get a birds-eye view of what the market is thinking, which allows you to devise strategies to lead your brand. At Perceptive, our brand tracker has all of these features.

### Where do most trackers go wrong?

Historically, brand tracking has been retrospective. You'd get information on what has happened, not what's happening right now—or what you need to do to get a particular result in the future.

Intuitive trackers are truly beautiful because they smooth out “knee-jerk reactions” in the market. When you can track the market over time, and see trends and real-time activity, you will get cleaner insights which will allow you to respond in a less volatile manner. The information you are provided is actual trends—not just small spikes that you are notified of after the fact.

At Perceptive, our brand tracker is always on. The data that comes through is as to-the-minute as possible, which allows your business to be more proactive and more competitive. For more information please email [info@perceptive.co.nz](mailto:info@perceptive.co.nz).



# SEE HOW CX INSIGHTS CAN IMPROVE YOUR ORGANISATION.

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## About Perceptive

We are the leading technology-based insights agency in Australasia. Our insights have driven some of the most well-known marketing campaigns, PR activations, customer experiences, products launches, brand evolutions and market dominations in the Southern Hemisphere.

Perceptive is part of the Clemenger Group, Australasia's most successful marketing and communication organisation. Together, we provide our clients with unmatched capability across the marketing services spectrum.