



THE TRUTH BEHIND BRAND OBSESSION

A holistic process to shape the way we should
be thinking about brands – in 3 steps.

THE TRUTH BEHIND BRAND OBSESSION

Understanding and nailing down a customer loyalty approach can prove to be one of the most challenging tasks in brand management. From uncovering the intricacies of social media, generational differences and preferences, the role that ambassador-ship can play is extremely significant.

The questions are endless, and brand health tracking tools can vary in their ability to provide decision-makers with everything needed to get at the heart of the question. Create a thought process that uncovers behavior drivers (beyond mere brand loyalty) and delivers actionable insights.



A THREE-STEP APPROACH

The key to developing a powerful brand strategy lies in the quality of information and having the right tools that deliver when it comes to drilling down into a brand, category, or generation to understand what is working and what falls flat from the lens of a customer.

Take your brand strategy from informative to insight in just three steps and lock down your JAM.

J

Journey

Unlocking the patron's path from awareness to advocacy and uncovering where a consumer engages (or disengages) with a brand is a foundational piece to crafting a holistic brand strategy.

A

Advocacy

Advocacy is born out of a balance of crafting engaging experiences while being relevant in evolving food cultures. Net Promoter Scores provide the baseline of customer ratings to shape where advocacy can take root.

M

Menu

Taste is still key, and brands need to know where they stand in the eyes of customers. Menu management will be driven by craveable and creative moments of consumption with strategies built around categories that are 'great' and 'good'.

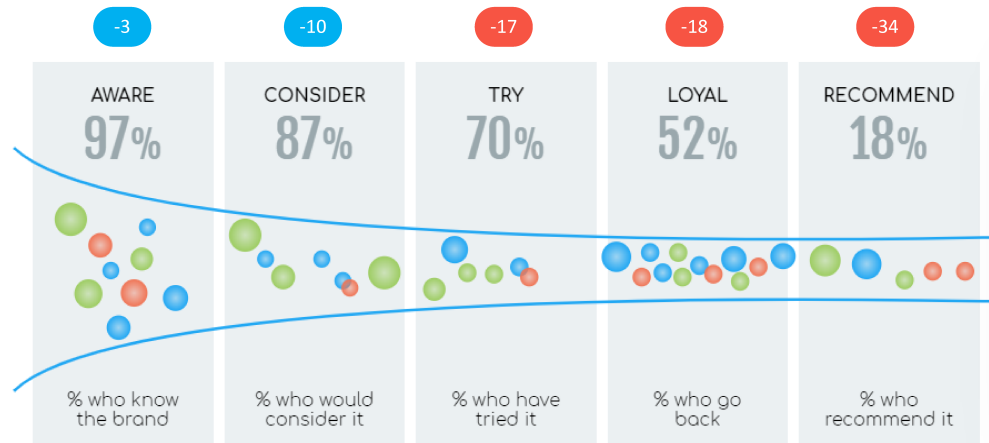
STEP 1

UNCOVERING THE BRAND JOURNEY

Understanding a brand's journey with customers from the point of awareness to adoring advocate is the difference between basic brand tracking and being equipped to tackle what really matters.

Sweeping perceptions tend not to change year on year, but there are moments across the customer journey that provide opportunities to dig into and craft an agile and informed brand health toolkit. To access these moments, a holistic approach is necessary to distinguish touch points and uncover retention, conversion and at what point customers fully engage (or disengage) with a brand.

Datassential's *BrandFingerprints* uncovers the factors and outlines the points to analyze along the customer journey to map how brands stack up.



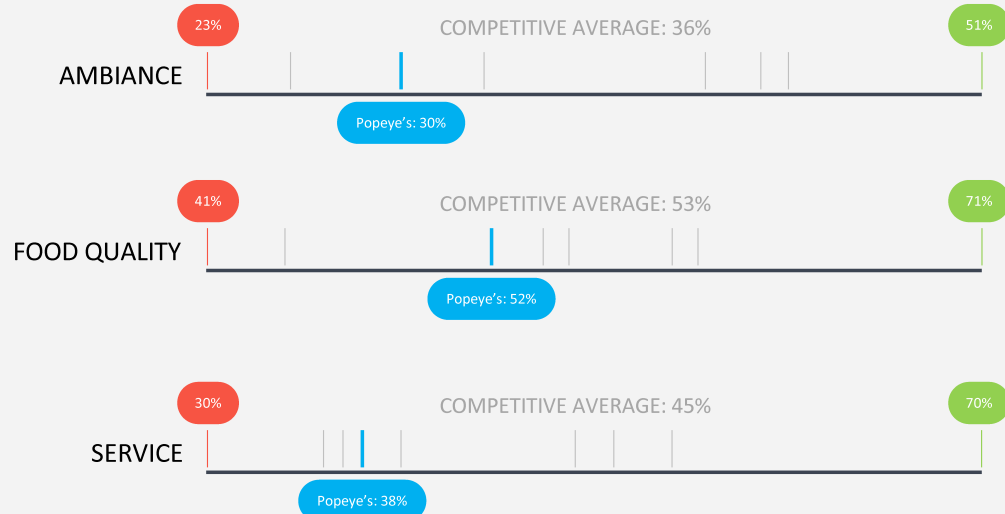
DEMYSTIFY THE CUSTOMER JOURNEY WITH BRAND FUNNELS

With Brand Funnels, the customer journey is tracked through 5 touch points: awareness, consideration, trial, loyalty and advocacy. From there, it's a matter of identifying pain points in the journey and drilling in to uncover areas for innovation or renovation.

Out of the mapping exercise, an imperative becomes apparent – it is essential to understand why there is a lack of conversion. A thorough dive into brand experience metrics uncovers points to dig deeper and develop approaches to drive trial, improve retention and generate advocacy.

Popeye's is a brand that has a high level of awareness and consideration. A valid argument is any loss is important for a brand, but for Popeye's, the most significant points of loss occurs at converting consideration into trial, trial into a loyal consumer, and those that are loyal would not recommend to family or friends.

Three critical areas of the brand experience are Food, Service, and Ambiance. Understanding where Popeye's stacks up amongst QSR and other LSR Chicken restaurants is the foundation to build a strategy for innovation in a continually fragmenting competitive space.



IDENTIFY POTENTIAL WITH BRAND EXPERIENCE METRICS

A deeper dive into brand experience metrics serves two purposes – to understand where Popeye's is performing in relation to the competitive space, and to provide a critical eye in identifying where customers' needs may not be

fulfilled, resulting in a lost opportunity for conversion.

For example, in terms of food quality, Popeye's scores lower than the average across competitors. Within the menu appeal space, two significant points stand out for improvement according to customers – increasing healthy options and the rethinking of packaging options for takeout.

Healthy options are on the radar for most brands. It's relevant and not surprising in today's market, but there is an opportunity for brands to begin to look deeper into the metrics outside of what are increasingly considered table stakes.

MENU & ITEM APPEAL

% rating "best in class" or "above average"

✕ | copy data | ↗

	POPEYE'S	LSR CHICKEN	DIFFERENCE
Menu Appeal			
Innovative menu	38%	34%	+4% ↑
Well organized menu	44%	51%	-7% ↓
Variety of appealing choices	42%	44%	-2% ↓
Healthy options	19%	33%	-14% ↓
Seasonal items / LTOs	38%	33%	+5% ↑
Kids menu	31%	36%	-4% ↓
Ethnic items	37%	27%	+10% ↑
Takeout packaging	42%	52%	-10% ↓



DELIVER ON DEFICIENCIES AND LEVERAGE STRENGTHS

Though the QSR delivery space is still in its earliest phases, a deficiency in packaging and delivery practices will become more relevant with the growing demand in delivery-based options. As delivery becomes more commonplace, it will be critical for Popeyes and brands that score below average on these metrics to put energy into innovation beyond LTOs and new menu offerings. By identifying packaging as an issue early, Popeye's has an opportunity to not only address a current takeout issue, but to leverage the insight and develop packaging solutions designed to delight the growing market of delivery customers.

Understanding at what points a brand performs well is an opportunity to identify strong leverage points and proves to be as essential as understanding pain points.

Popeye's appears to be scoring well with consumers in ethnic items. With their emphasis on their Louisiana Cajun roots, this is expected as it's the brand identity of Popeye's. While it is a valuable metric, a critical question might be whether Popeye's should better capitalize on this point of differentiation or attempt to broaden their appeal beyond a more niche Cajun brand. Could being best in class at ethnic items as a core strength be limiting in the long term?

Once a brand journey is mapped with improvement points and measures outlined, the next step focuses on customers' willingness to advocate. This means Net Promoter Scores.

STEP 2

ADVOCACY IS EXPERIENCE & RELEVANCE

The Net Promoter Score (NPS) is a tool to understand and identify gaps across brand loyalty. NPS measures how likely a customer is to recommend a brand to family and friends. Depending on their likelihood of recommendation, respondents are scored as a detractor, passive or promoter. At its core, there are two critical points to NPS – experience and relevance.

DETRACTOR

PASSIVE

PROMOTER

0	1	2	3	4	5	6	7	8	9	10
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GENERATIONAL FOOD CULTURES SHAPE THE FUTURE OF FOOD

It's a new world of food. Awareness of the on-going evolution in current consumer food culture and the growth of generational food cultures is the new business imperative.

Millennials grew up in the era of the fast casual concept. From the quiet beginnings of what are now staples, stand out QSR and fast casual brands were agile and adjusted to millennial focused marketing and the experience-driven demands of a growing generation. On the heels of fast casual were even more specific food experiences – food trucks.

Again, food trucks were transformative to consumers' approach to food. Particularly for the most recent generations, consumers were exposed to targeted food experiences, driving home authenticity and culture around the specificity of food options. Mexican won't cut it – it's tortas and elote.



GEN Z CHANGES THE GAME

The game has changed. With Gen Z, the techniques and approaches that resonated with Millennials can come off as disconnected. Today, Gen Z operates heavily in a space outside of traditional channels and without a new approach, brands risk falling into obsolescence. More than just the food industry is on the verge of a massive shift in how customers will consume content to inform choices and connect with the world around them.

Realistically, brands with significant scale can survive a dramatic shift – it provides a large enough foundation driven by convenience that rarely results in thriving, but they will survive. For many brands however, it could be the difference between survival and success. It's a new reality for brands – loyalty is not enough, it's about obsession.

GENERATIONAL MESSAGING DIVISION GROWS



NET PROMOTER SCORE

-22

26% promoter
26% passive
48% detractor

Total U.S.



NET PROMOTER SCORE

+40

58% promoter
25% passive
17% detractor

Millennials

NET PROMOTER SCORE

-16

30% promoter
24% passive
46% detractor

Gen Z

NET PROMOTER SCORE

-35

21% promoter
24% passive
55% detractor

NET PROMOTER SCORE

+42

59% promoter
24% passive
17% detractor

NET PROMOTER SCORE

+32

52% promoter
28% passive
20% detractor

As Gen Z is maturing and their purchasing power grows, a clear division is beginning to take shape at the brand level around brands that resonate.

McDonald's saw the signs of a new generation that would force them to make changes as Millennials and their purchasing power matured to create the new face of a Millennial McDonald's.

From cleaning up labels to modernizing their brand image, McDonald's made significant strides and it worked. Looking at the NPS and breakout of promoters vs detractors, McDonald's made positive strides toward their goal – appeal to Millennials.

They have a higher percentage of promoters, a lower percentage of detractors, and their score is six points better than the total U.S. NPS. It's evidence that the approach works, but there's a significant problem waiting on the horizon – Gen Z.

With significantly more detractors, fewer promoters and an NPS thirteen points lower than the total U.S., the messaging and approach for McDonald's is falling flat with Gen Z.



WHAT ABOUT WHATABURGER?

Whataburger provides a similar story – Millennials love it and Gen Z likes it, just not as much as Millennials or the total U.S. What is significant is the narrowing of the gap between Gen Z and other generations. The difference between Gen Z and Millennials and the Total US is much smaller with Whataburger and it means their messaging is resonating.

What about Whataburger works? Is it the ability to customize relentlessly, playful social media using culturally relevant moments with a very throwback vibe, the unpretentiousness of the offerings, or is it the almost tribe-worthy fancy ketchup?

It's a bit of it all; which is the reality of consumers today. Every piece of the experience from how a consumer interacts with a brand on social channels to what it looks and feels like from the moment someone pulls up must connect.

BRANDS GROW UP AND LOSE TOUCH

NPS is a powerful indicator of the experience and connection a brand has with a consumer base – the higher the NPS, the more a brand resonates with their consumer base.

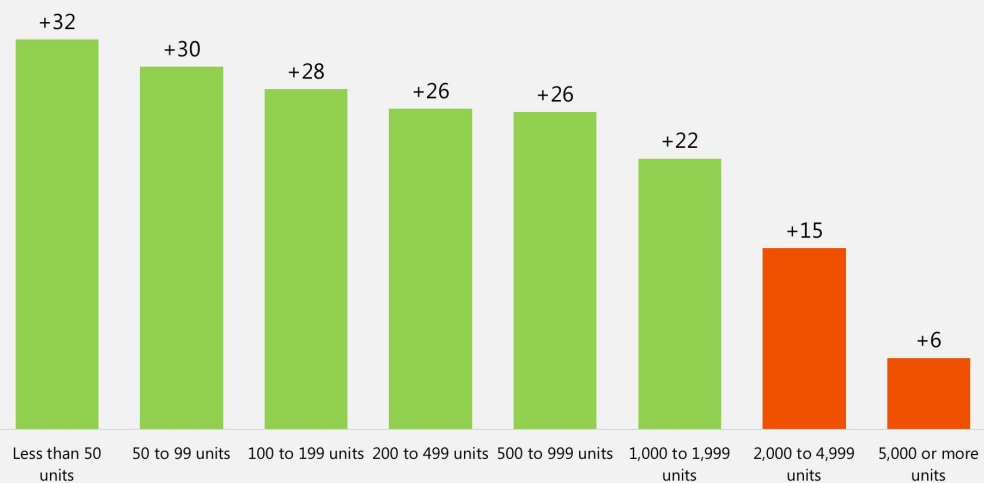
An argument for McDonald's in the previous example is it's hardly equitable to compare a chain the size of McDonald's to a regional powerhouse like Whataburger. Could the sheer size of McDonald's be impacting their NPS?

Analyzing NPS scores in relation to unit counts reveals a non-isolated occurrence - as a brand grows, NPS tends to be negatively impacted.

In the early stages, brands tend to have a deeper connection with their customer base and tailor offerings and communication accordingly – it's a personal experience.

As brands grow and unit counts increase, brands lose touch with that core group, and customers begin to feel disconnected. The desire to be a promoter diminishes and purchase motivation shifts to convenience and other behavioral habits as a driver for retention that does little to aid in advocacy.

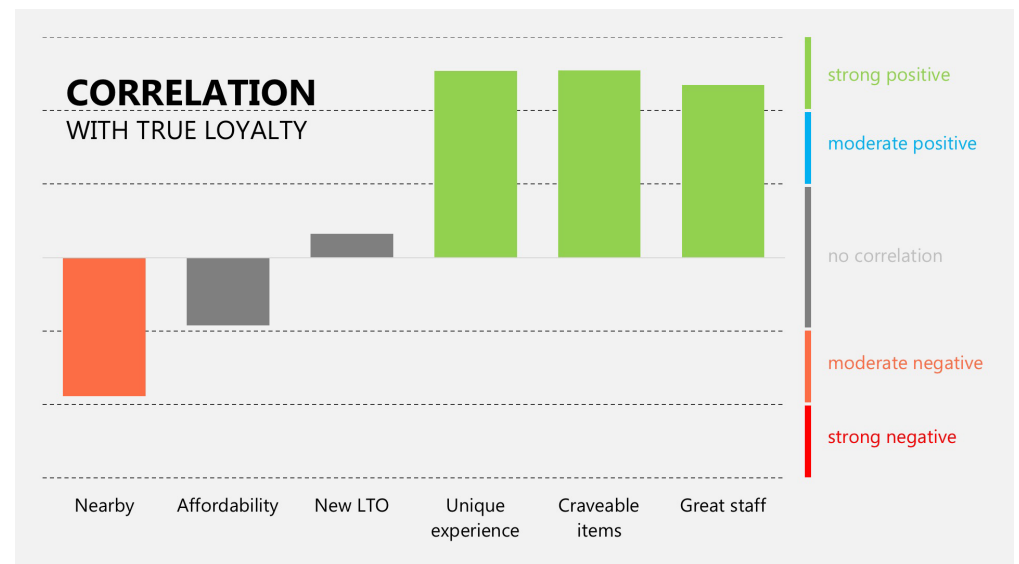
For larger brands, it is an opportunity to pick up learnings from younger brands to understand how they're connecting with upcoming generations to provide insights into future-proofing. For younger brands, the need to remain conscious of and connected with customer bases through food and their connection with promoters as they grow will be crucial.



DIALING INTO OBSESSION WITH A LENS OF LOYALTY

Looking at the factors that strongly correlate with a True Loyalty measure, three things stand out – great staff, unique experiences, and craveable items. In the realm of innovation, it's no longer about rolling out as many LTOs as possible or even affordability.

To make waves, it's about making relevant, craveable food, especially so with LTOs.





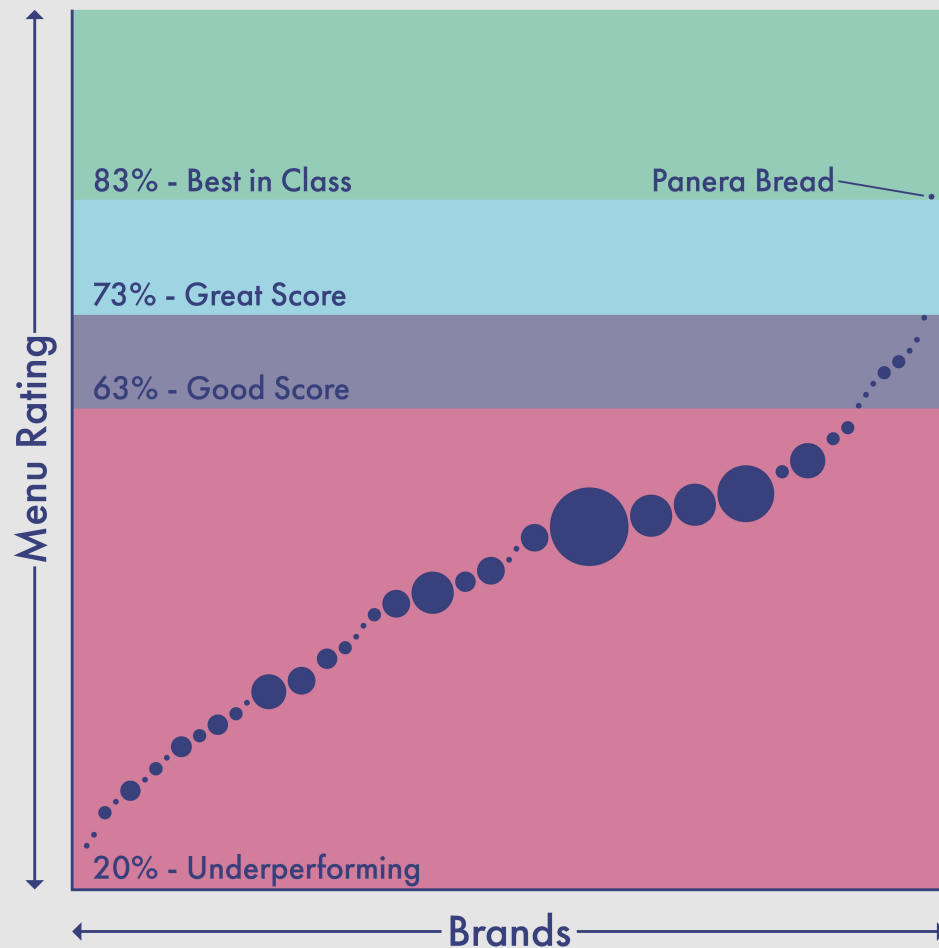
STEP 3

THE MENU IS PARAMOUNT

Taste is key and perfecting food is vital in locking down brand obsession. Understanding where a brand sits in the eyes of customers is an essential metric to understand both brand health and ultimately create the foundation for strategy building.

Menu Ratings in *BrandFingerprints* measures how brands stack up across categories. Customers rate a category within a brand based on whether they performed as “best in class” or “above average.” Knowing which brands are benchmarked as best in class and where a competing brand stacks up, the footprint for a strategy becomes formula driven.

GOOD AND GREAT FORM FOUNDATIONAL STRATEGIES



There's a fairly straightforward, but effective formula for a brand strategy footprint:

Brands should strive for being great in at least one category and good in at least three categories, relative to the best in class score in the category.

Great scores fall within 10% of the best in class score.

Good scores fall within 20% of the best in class score.

Category Exhibit | Soup

Panera Bread Company is the clear winner in the soup category. As the best in class example of soup, it wins – no other brand falls within the great range.

FOOD & BEV QUALITY

% rating "best in class" or "above average"

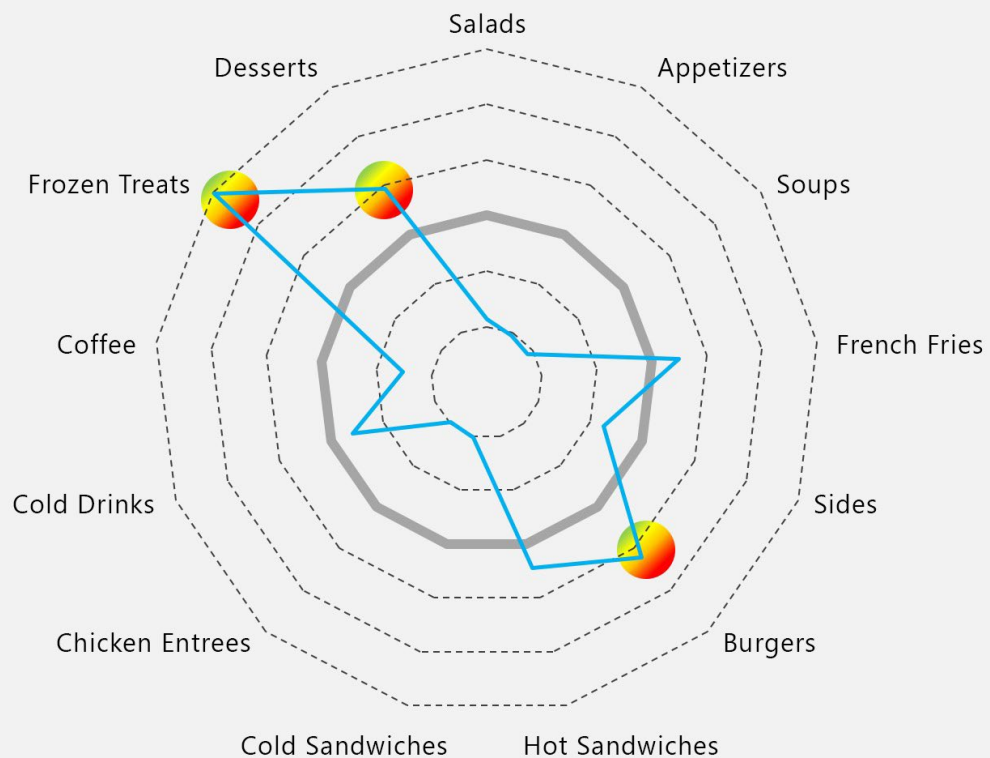
	PANERA BREAD	FAST CASUAL BAKERY CAFE
Freshness	83%	68%
Taste	82%	69%
Made to order	79%	65%
High quality food	79%	66%
Premium ingredients	74%	63%
Attractively presented	74%	63%

Panera's strength as a top fast casual lies in their Food and Service scores where they outperform on most metrics compared to other fast casuals. A strong showing on impactful metrics like taste, quality, freshness, staff friendliness and order consistency, has secured Panera's place as one of the highest performing fast casuals in the eyes of consumers.

CUSTOMER SERVICE

	PANERA BREAD	FAST CASUAL BAKERY CAFE
Service		
Speed	59%	60%
Helpful / friendly staff	66%	63%
Always gets your order right	68%	65%
Drive thru	-	57%
Staff cares about great experience	41%	45%

FORMULATING A BRAND STRATEGY



Steak 'n Shake makes a brand promise in their name – they want to be great at steakburgers and shakes. Reality is close, but there is room for movement. They're "great" in consumers' minds at frozen treats – the Shake. With 82% of consumers saying they rate Steak 'n Shake as "best in class" or "above average," it's a strong proposition.

Though it is a departure from the assumed burger space, it is the beginnings of a footprint around strategy. Does Steak 'n Shake better capitalize on its frozen treats as a destination driver or do they continue to better bring burgers to the forefront to capture "greatness" in the category as well?

Drilling into other categories where performance is above the average (grey line), Steak 'n Shake is considered "good" at burgers (71%) and is approaching a "good" ranking for desserts (60%).



KNOW WHERE YOU STAND

It is up to Steak 'n Shake to outline what they want to be known for as a brand. If it is burgers (as their logo implies), then a critical piece will be building a strategy around how to take burgers from “good” to “great” by understanding the hallmarks of great burgers. It is impossible to be great at everything, but it is necessary to make a plan around great and good.

First, understand what a brand should be known for and make it the great target – attack it relentlessly.

Second, identify what a brand should be good at and begin to design and shape menus to reflect the approach.

DEMYSTIFY BRAND OBSESSION - IN THREE STEPS

The landscape for brands is undergoing a foundational shift. The ever-evolving demands of consumers and how brands reacted historically were fit for purpose, but in an age of expectation gaps, strategies have to be in a constant state of evolution.

Creating a strategy can be simple and prescriptive with the right tools and is best done in three steps – discover your JAM.

J

Journey

By understanding how customers engage with a brand from awareness to advocacy, the foundation of a targeted approach to shaping brand strategy focused on brand loyalty is attainable.

A

Advocacy

Knowing the baseline of customer ratings and whether they are advocates or detractors is vital in building tools to foster advocacy. Focus on being relevant in rapidly evolving food cultures and craft experiences that create points of connection to nurture promoters and shift detractors.

M

Menu

Taste is the most important thing to customers, and a brand needs to know where it ranks in their eyes. Once categories are mapped with a great vs. good approach, menu management is dictated by crafting craveable and creative food experiences to achieve great and good status.

LOYALTY IS NOT ENOUGH

Brands need to establish a holistic strategy around more than loyalty. Today's consumers are not loyal, they're in search of obsession. Understanding and ultimately generating brand obsession is reliant on understanding the relationships customers have with their brands through brand funnels and NPS.

Unraveling perceptions within the ever important competitive context demystifies the pressures of creating great menus. Brands need to be well-poised to capitalize on what they're great at, positively shift what they're good at, and meaningfully address their weaknesses.



BrandFingerprints

FIND IT ON
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