



How to Be One of the World's Most-Loved Brands

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Part of **Accenture Strategy**

Every brand is searching for the secret weapon that provides sustained sales growth. The answer may be millions of them—in the form of a massive, extremely devoted customer base.

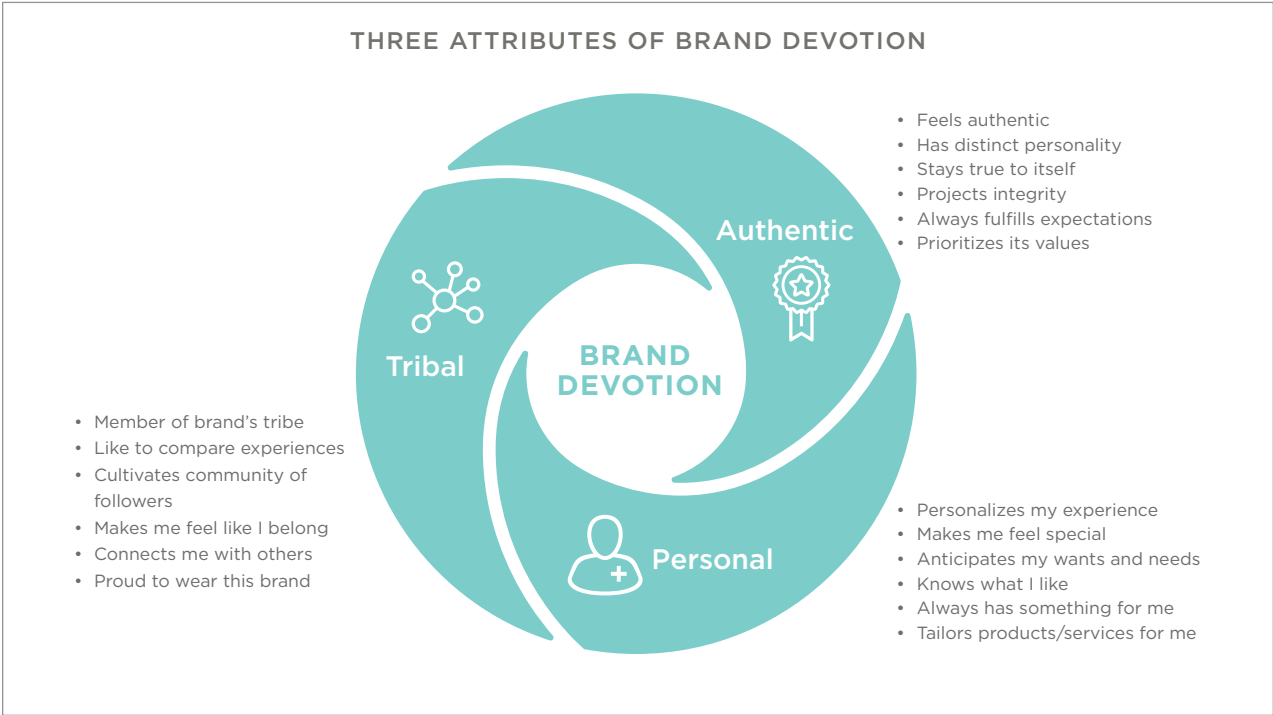
At its core, retail is still about consumers buying what they desire from brands they trust. But the definitions of desire and trust are rapidly changing. Desire used to be formed in the mall or corner store, and trust was given to merchants who brought the brand to where you could buy it. Today, with the proliferation of marketing and sales channels and product and digital experiences, retailers are confronted with multitudes of options to build and drive sales growth.

The key to unlocking this growth is understanding what drives consumers to a business. Enter brand devotion. Our research shows that the best-selling brands have deep emotional connections with their

consumers—an extra, palpable bond that drives consumers to spend more and to do so more often.

As important as brand devotion is, not a lot of tools today can help brands and retailers identify, develop and enhance their consumer connection points. Nor have existing tools been able to help discern the marketing, product and digital experiences that contribute to the customers' intent to purchase—until now. Kurt Salmon's Brand Devotion Index (BDI) goes beyond measuring advocacy to unlocking the emotions fueling a higher level of brand connection. Based on multiple studies of more than 7,000 consumers across more than 30 leading brands and seven segments, we have identified distinct attributes that reflect consumers' devotion to a brand, product or service, and that indicate higher spending. BDI can help brands understand what specific parts of the brand are resonating with consumers,

Exhibit 1: Brands able to forge deeper connections with their consumers are authentic, tribal and personal.



how their consumer connection stacks up against their competitors and what to do to expand and grow devotees—and sales.

UNDERSTANDING THE BRAND DEVOTION INDEX (BDI)

We found that brand devotion is a composite of how strongly a consumer feels that a brand is authentic, personal and tribal. (See Exhibit 1.)

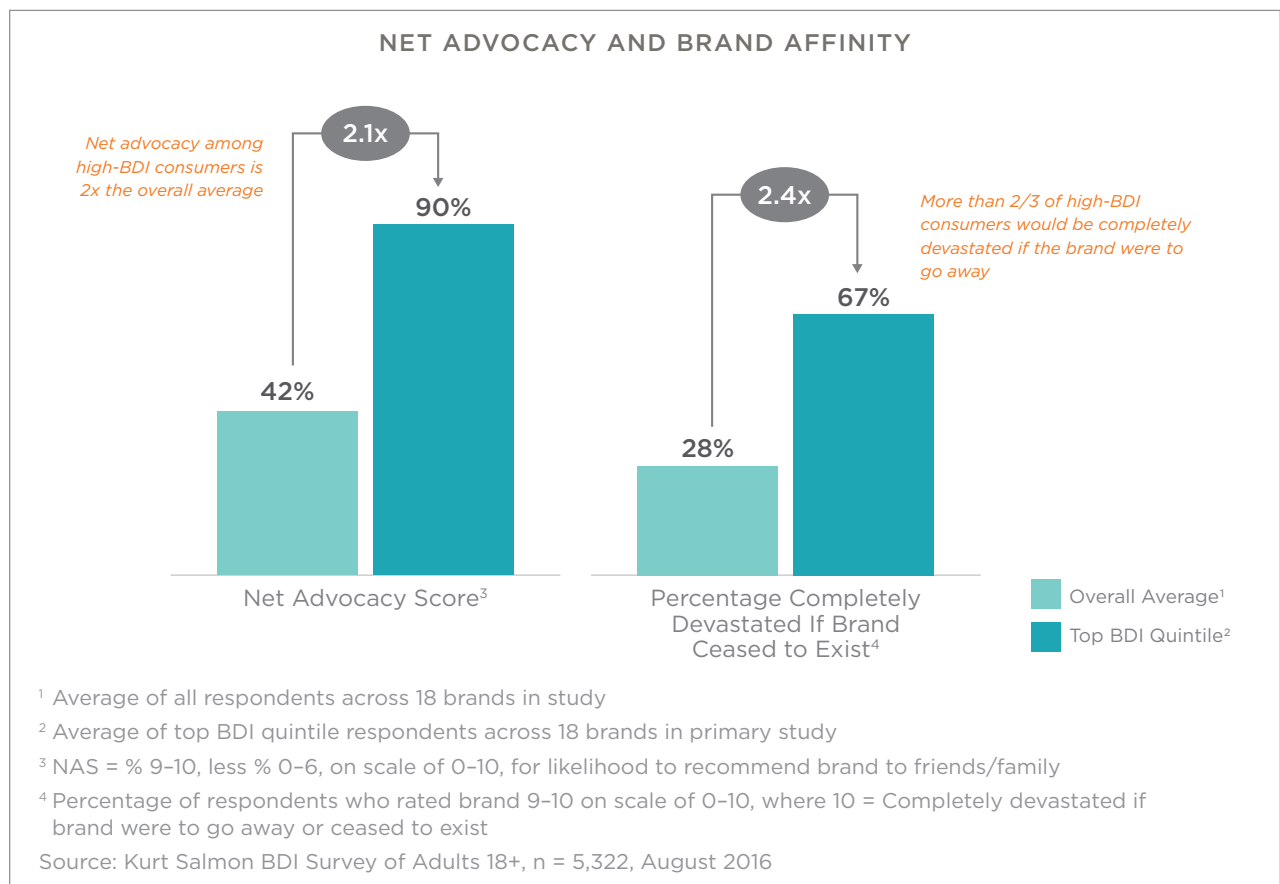
To be authentic: The brand has to be distinctive with a strong position on what it stands for. It is born from a special place and projects integrity—it won't compromise itself to make a sale. Consum-

ers respect and know what to expect from it—from its service expertise to the products it sells. If consumers can't define it, they can't love it.

To be personal: It's not about monogramming or personalizing products. It's about making the consumer feel like the brand was made just for her—it gets her, knows what she likes and anticipates her wants and needs. The brand helps her achieve her goals—think fitness trackers or a retailer helping a consumer feel confident walking into a big job interview.

To be tribal: Consumers want to be with other people who feel the same devotion to the brand

Exhibit 2: Brand-devoted consumers are a concentrated, more emotionally invested subset of brand advocates.



and what it represents. They want to talk about it and share experiences. They feel like they belong and are proud to be associated with the brand—they feel like a member of a unique tribe.

What sets these brand-devoted consumers apart? Brand-devoted consumers are an extra-emotionally invested subset of advocates. In fact, net advocacy scores among high-BDI consumers are on average two times higher than net advocacy scores among all consumers. Across all brands studied, the average net advocacy score for all consumers was 42% versus 90% for high-BDI consumers, as shown in Exhibit 2.

But a high BDI score goes beyond just advocacy: More than two-thirds of high-BDI consumers would be devastated if a brand ceased to exist versus just 28% of all consumers.

Even more importantly, brand-devoted consumers spend more, and are likely to spend even more next year, than average customers and even brand advocates. In fact, while advocates spend 21% more than the average consumer at a given retailer, brand-devoted consumers spend 48% more than average.

And not only did brand-devoted consumers spend more in the last year, they are likely to spend much more next year. Forty-five percent of brand-devoted consumers expect to spend “much more” on that given brand or retailer in the next 12 months versus just 24% of brand advocates—not much different from the all-consumer rate of 17%.

As the following examples show, this kind of BDI data can be used to show retailers which aspects of their business resonate most with consumers, which strategic opportunities they have to develop deeper bonds with their shoppers and, most importantly, which levers to pull to get them there.

BRANDS WINNING BY TARGETING BRAND DEVOTION

We found that the power of the BDI held true across a variety of retail and consumer segments,

from coffee to technology and from apparel to hotels. The BDI is a uniquely precise way to identify leaders across the retail landscape and within a competitive set. But what truly sets the BDI apart is that it goes beyond identifying leaders to revealing what drives their success—and how they can continue to grow sales and brand devotion.

Let's take a closer look at five of those categories and their standout brands. The industry calls these companies disruptors, but, if anything, they haven't disrupted the classic retailer-customer relationship. They've strengthened it, catalyzing a deep emotional connection that fuels devotion and sales.

Lululemon

In our surveys, Lululemon earned high overall marks on the BDI—50% versus a 31% average among its competitors.

It scored particularly well when it came to authenticity. In fact, 55% of the brand's current customers feel strongly that “If this brand were a person, it would have a distinct personality” (versus 37% for competitors), and 53% said the brand “stays true to itself” versus just 39% for competitors.

“It's distinctive in that you can tell that it's really exclusive,” Aileen, a 33-year-old from Florida, told us about Lululemon. “I feel special—it's not for everyone.”

Meanwhile, a 55-year-old from California told us the brand “Feels genuine. Bona fide true feeling. Just feels good.”

This special feeling or unique personality many consumers ascribe to the Lululemon brand not only helps differentiate it from competitors, it also helps forge deeper connections with consumers—connections that spur sales.

Amazon

Amazon outranks its competitors overall on the BDI 33% to 25%. This strong performance is driven by extremely high marks for personalization versus other similar retailers.

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Why? Amazon's recommendation algorithm, personalized communications, extremely detailed search filters and helpful related-purchase suggestions help consumers navigate through the company's sea of items to find exactly what they want.

"They seem to pay attention to what I'm looking for," Ellen, a 50-year-old from Florida, told us. "I noticed that they follow up on things and recommend things that I didn't know were there."

Many other customers echoed her sentiments that something special is happening behind the scenes that connects them to the brand.

"There are a few things I wasn't planning on purchasing that they recommended, so I went ahead and bought them," said Michael, a 51-year-old from Arkansas.

As Michael's example shows us, Amazon's personalization drives immediate sales by increasing basket size. But it also increases long-term sales by creating an army of devoted customers who know that Amazon will always have exactly what they need—and probably something they didn't even know they needed yet.

Cabela's

Cabela's has demonstrated impressive results across all three drivers on the BDI and really stands out for being authentic and personal.

In fact, nearly 60% of its customers said they're in touch with the retailer's distinct personality. Clearly, Cabela's customers know exactly what to expect from the retailer.

Jay, a 30-year-old from Oklahoma, says just that. "You know what to expect and where to look for things," he told us. "I've never had a problem finding what I need. You can always find people with the same interest at Cabela's and compare things."

And Samantha, a 24-year-old from Minnesota who shops Cabela's online, said, "Their personality is like my uncle's or grandpa's. Very genuine, reliable and outdoorsy—Cabela's is like someone who you want

to go outdoors with. If I lived nearby, I would probably go and just hang out."

Even more impressive, nearly 65% of Cabela's customers feel "It always has something for me" and that it "anticipates my wants and needs."

Cabela's also manages to create a tribe-like feeling among its shoppers—that they want to be around other brand devotees.

"It's a social thing—if you shop with like-minded people, it feels like a family," Howard, a 54-year-old from New York, told us.

Annette, a 55-year-old Oklahoma resident, agreed. "I have a wide circle of friends who like to shop there. It's always a go-to place for us. It's a social event for us—definitely," she said.

These types of statements help illustrate a deeper connection than one built on just price, selection or service. Cabela's customers feel like they "get" the retailer and vice versa—there's an emotional connection that drives them to the store.

Peet's Coffee & Tea

Peet's significantly outperformed its competitors in our study with a composite BDI of 36% versus 27% for its competitors.

Peet's overall net advocacy score is 34%, but that jumps to 85% among its consumers with the highest BDI scores. And 62% of these ultra-devoted consumers would be devastated if Peet's ceased to exist versus just 27% of overall customers.

Given these stats, it's no surprise that Peet's devoted customers spent 79% more there in the last year than the average Peet's customer. Even more significant, 59% of Peet's most-devoted customers plan to spend even more there next year versus 35% of brand promoters and just 23% of all consumers.

One standout driver of Peet's high score on the BDI is its strength as a tribal brand. Peet's consumers consider themselves in a separate class and enjoy debating the brand's merits over a cup of coffee. As Jesus, a 55-year-old from Virginia, said, "When

*In today's **hypercompetitive** retail market, every customer counts—but **devoted customers count double.***

it comes up in conversation, I do like to talk about Peet's ... the high-quality taste, the aroma."

Coffee is not a new category—saying it's ubiquitous is almost an understatement. But even despite that, Peet's strong BDI score is one reason the brand's same-store sales are growing 10% to 20% annually.

Michael Kors

Michael Kors has a strong BDI score—41% versus its competitors' average of 35%—balanced across all three drivers.

As the Michael Kors consumers we interviewed discussed, their feelings of devotion toward the brand clearly showed a strong mix of authentic, personal and tribal.

"I would even go as far as to call the Michael Kors brand compassionate—because of the quality of the items, which shows that Michael Kors really cares about the consumer," a 49-year-old woman said.

Even more powerful, among devoted consumers, this sense of really knowing and respecting the Michael Kors brand extends to consumers' feelings about others who own it.

"I'd be more inclined to start up a conversation with someone carrying a Michael Kors bag or some other product. It's nice to connect with people who appreciate the same things you do," another consumer mentioned.

BENEFITS OF THE BDI

As these case studies show, each brand has different ways of engendering brand devotion. And that's the true power of the BDI—the specific, actionable insights it gives brands.

Once businesses understand how their brand emotionally connects with consumers—on which attributes, at which level and relative to competitors—they can prioritize strategic efforts by how well they will target these drivers of devotion. For example, fitness brands can score higher tribal marks with community-building classes. Meanwhile, apparel consumers with the highest BDI scores are

half as likely to be motivated by sales promotions than average consumers and are more likely to be influenced by their friends and families, in-store displays, and fashion blogs, creating opportunities to engage and influence them through other more-profitable connection points. And if a brand scored low on personalization, that could suggest a need for better analytics to enable more customized marketing and product recommendations.

Of course, one's BDI standing isn't static. Brands should constantly measure the results of their BDI-strengthening efforts and check in on their brand's emotional connectivity with consumers, using that data as an input into any future strategic decision.

The key to understanding how well a brand is connecting with its customers is to ask whether the brand has a distinct personality and a sense of integrity; whether it makes customers feel special and anticipates their desires; and whether it's cultivating a community of followers, connecting consumers with each other.

Brand devotion shapes and informs the core of everything about a brand—digital marketing and product strategy, omnichannel experience, and selling, to name just a few. The BDI can help brands uncover their hidden fan bases and figure out how to both cultivate existing connections and bring more devotees into the fold in a targeted and actionable way. In today's hypercompetitive retail market, every customer counts—but devoted customers count double.

Once retailers know why people love their brand and how to get more people feeling the same way, sustained sales growth is much easier to achieve. Knowing that—by uncovering insights revealed through the BDI—is the first critical step toward achieving the kind of sales growth and, ultimately, long-term survival in our changing retail world that every brand yearns for. ❖

Kurt Salmon

Part of **Accenture Strategy**

Kurt Salmon is a global management consulting firm dedicated to building the market leaders of tomorrow. More than just partnering with our clients, we ally with them, integrating ourselves seamlessly into their organizations in order to develop innovative, customized solutions for their 21st-century business issues.

Succeeding in today's increasingly complex, consumer-driven environment is an enormous challenge.

But companies need to look beyond today; they need to position themselves for continued success in the even more uncertain future. That's where Kurt Salmon comes in.

We call it delivering "success for what's next." The results are transformative.

AUTHOR

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