The Brand Audit Toolkit

Organizing Data for Insights
Spring 2019
An Audit is the first step in strategy development.

An Audit reveals insights that inform strategy. The purpose is to ensure the brand’s most pressing issues and greatest growth opportunities are identified and can be addressed.

**What Is a Brand Audit?**

**Audit & Strategy**
- Brand Audit
- Brand Vision & Narrative
- Audience-specific Positionings

**Architecture**
- Portfolio Structure
  - Naming Ground Rules & Conventions
- Message Map
  - Brand Expression Guidelines
  - Creative Brief

**Expression**
- Experience Design
  - Communication Planning & Execution

**Activation**
- Brand Value Assessment
- Brand Health Assessment
- Tracking

**Measurement**

Hint: Conduct a Brand Audit when:
- Annual planning
- Marketing environment has changed – consumer needs, competition,
- Significant marketing event such as new campaign or product launch
- Questions arise about brand health or strategy
A Brand Audit systematically reviews a wide range of data from many sources.

A Brand Audit draws on industry, company and marketing information to answer questions in four critical areas.

**Market**
- What are the key trends in the category?
- What are the key trends in overall business environment?
- Where will growth come from?
- What are the risks?

**Brand**
- What are our strengths and weaknesses?
- How does our offering and customer experience measure up?
- What are we known for?
- What are the gaps?

**Competition**
- Who should we be worried about?
- What are the likely competitive scenarios?
- Where do we have advantage?
- Where are we vulnerable?

**Customer**
- Who matters most today?
- Who will matter tomorrow?
- What needs are satisfied?
- What else do they want or need?

Hint: Possible data sources include:
- Marketing
- Sales
- Finance
- External industry reports
- Customer service
- R&D
- Competitive reviews

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Look Everywhere for Sources of Information

Much of the information for a brand audit exists outside of marketing, and even outside the company.

**Company Information**
- Company mission, vision and values statements
- Business plans
- Financial performance trends (e.g., revenue, profits, margins)
- Customer service records
- Patents
- Intellectual property
- Awards/areas of distinction
- Product plans

**Industry Information**
- Brand Health Tracking research
- Focus groups and product research
- Net Promoter scores
- Media plans and analyses
- Web site traffic and analyses
- Advertising and promotional collateral (your brand and competitors)
- Pricing analyses
- Social media reports and conversation analyses

**Marketing Information**
- Marketing plans
- Competitive web sites
- Third party research on competitors (e.g., financial analysts, syndicated market research, government agencies, industry associations)
- Third party research about the category consumers (e.g., IBIS World, Mintel, etc.)

Hint: This is a partial list. Get creative.
What Are the Frameworks?

Frameworks are tools that organize data and reveal insights.

There are many time-tested frameworks that can be useful in developing insights. The frameworks below are well-recognized and widely used by marketers.

- Classic SWOT Analysis
- BCG Brand Strategy Palette
- 3-Circle Analysis
- Customer Insights Inventory
- Customer Experience Framework
- Customer Profiles and Personas
- Customer Journey Map
- Brand Conversion Funnel
- Competitive Assessment Framework
- Competitive Landscape Map

Hint: Not all the frameworks will be relevant. Use only the frameworks that help guide you to an insight.
**Classic SWOT Analysis**

**SWOT is a summary tool.**

SWOT Analysis is a widely used framework for distilling and summarizing disparate information on just one page. SWOT’s brevity is its virtue, with what’s left out revealing as much as what is put in.

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### Classic SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets that are internal to the company and need to be <strong>leveraged.</strong></td>
<td>Internal issues that put us at a competitive disadvantage and need to be <strong>fixed.</strong></td>
</tr>
<tr>
<td>- Strength 1</td>
<td>- Weakness 1</td>
</tr>
<tr>
<td>- Strength 2</td>
<td>- Weakness 2</td>
</tr>
<tr>
<td>- Strength 3</td>
<td>- Weakness 3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>External market forces or consumer trends that could provide competitive advantage and could be <strong>exploited.</strong></td>
<td>External market forces or consumer trends that could put the company at risk and should be <strong>mitigated.</strong></td>
</tr>
<tr>
<td>- Opportunity 1</td>
<td>- Threat 1</td>
</tr>
<tr>
<td>- Opportunity 2</td>
<td>- Threat 2</td>
</tr>
<tr>
<td>- Opportunity 3</td>
<td>- Threat 3</td>
</tr>
</tbody>
</table>

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**Hint:** Keep it focused, with just 3-5 points in each box.

*Steve Jobs famously said “I am actually as proud of the things I haven’t done as the things I have done.”*
3-Circle Analysis

Opportunity lies in the overlaps.

3-Circle analysis is a marketing specific tool that highlights opportunities to create and sustain relevant differentiation by showing where customer needs and brand offerings align.

Hint: You may need more boxes.
It’s advisable to do separate call outs for each of the key competitors as the points of differentiation will vary.
Define your challenge to define your strategy.

The Strategy Palette describes which of five types of business environment the brand faces. Three Dimensions - predictability, malleability and harshness – are definitive, and success depends on choosing the right strategy for each environment.

Hint: Understand the dimensions:
UNPREDICTABILITY: It cannot be forecast confidently
MALLEABILITY: It can be shaped through your actions or competitors’
HARSHNESS: Can survive you survive it?

<table>
<thead>
<tr>
<th>Success Requirements</th>
<th>CLASSICAL</th>
<th>ADAPTIVE</th>
<th>VISIONARY</th>
<th>SHAPING</th>
<th>RENEWAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Scale</td>
<td>- Rapid Cycle time</td>
<td>- Be first to market</td>
<td>- Ecosystem growth and profitability</td>
<td>- Cost savings</td>
<td></td>
</tr>
<tr>
<td>- High Market share</td>
<td>- New product vitality</td>
<td>- New user satisfaction</td>
<td>- Cash flow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strategy Implications</td>
<td>- Be big</td>
<td>- Be fast</td>
<td>- Be first</td>
<td>- Be the orchestrator</td>
<td>- Remain viable</td>
</tr>
<tr>
<td>- Convince customers of clear and credible superiority on the key benefit</td>
<td>- Assure customers we can anticipate their needs and respond fastest to emerging trends</td>
<td>- Introduce customers to a new category that addresses an unmet need</td>
<td>- Convince customers that together, we and our partners deliver more value than any other solution</td>
<td>- Convince customers the brand offers an innovative solution to address their need(s)</td>
<td></td>
</tr>
</tbody>
</table>

Source: https://www.bcgperspectives.com/yourstrategyneedsastrategy
# Brand Asset Inventory

## What do we have to work with?

A Brand Asset Inventory describes and assesses each brand asset to determine which are useful for differentiation.

<table>
<thead>
<tr>
<th>TYPE OF BRAND ASSET</th>
<th>DESCRIPTION</th>
<th>EVALUATION CRITERIA (Strong, Weak)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Unique/Distinctive</td>
</tr>
<tr>
<td>Names, Logos or other Identifiers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceptions and Associations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnerships</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proprietary Ingredients, processes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Hint: The more assets the better. If your brand has too few assets, it’s time to create more!
Competitive Assessment

Who do we have to look out for?

Competitive assessment highlights key competitors and the degree of threat each presents to brand growth.

Key Competitor #1
Degree of Threat (High/Low)
• Strengths
• Threats
• Strategies

Key Competitor #2
Degree of Threat (High/Low)
• Strengths
• Threats
• Strategies

Key Competitor #3
Degree of Threat (High/Low)
• Strengths
• Threats
• Strategies

Hint: Competition is dynamic!
Look ahead and look outside your category for potential disrupters.

- **Strengths**
  - Offering
  - Growth strategy
  - Reputation & reviews
  - Partners & endorsements

- **Threats**
  - Revenue & share
  - Customer profiles & affinity
  - Points of difference

- **Strategies**
  - Product changes & enhancements
  - New categories
  - New geographies
Where are we and where are we going?

A Competitive Landscape Map identifies key dimensions customers use to classify brands and maps where a brand is perceived relative to its competition. It also suggests how positions may evolve over time.

Four Steps for Creating the Map
1. Identify the most relevant dimensions competitors use to create differentiation
2. Place brands where they are today
3. Use arrows to indicate where each brand’s strategy is likely to take them.
4. Identify the ideal position for your brand to evolve to.

Hint: Price and quality are the most common map dimensions, but they may not be the most relevant to customers. Use research to understand how customers classify brands.
**What matters to brand users and prospects?**

A deep understanding of customer needs, their path to purchase and brand choice drivers is the best foundation for developing customer centric marketing strategies.

### Profiles and Segments

#### Key Segments
- Demographic segments
- Needs-based segments
- Decision role (primary vs. influencer)

#### Needs and Desired Outcomes
- Benefits hierarchy
- Desired results
- Desired usage experience

#### Attitudes
- Value equation (time savings, cost savings)
- Self-image and values

### Path to Purchase

#### Situational Triggers
- Word of mouth / sharing occasions
- Usage occasions
- Purchase occasions

#### Purchase Journey
- Awareness drivers
- Initial buying process
- Retention/renewal process

### Choice Drivers

#### Internal Choice Drivers
- Category motivations
- Brand decision drivers
- Past experiences

#### Outside Influences
- When (time of day, season)
- Where (Retail environment, online environment)
- Reputation/reviews

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Hint: Powerful insights are often more about the category than the brand. Focus on understanding needs and decision drivers and take note of any gaps in understanding.
Where are prospects and customers getting stuck in developing a relationship with the brand?

Marketing’s task is to move customers from prospects to loyal users. The Brand Conversion Funnel reveals roadblocks in this process and shows where marketing should focus to overcome them. Tracking changes in size of each level and conversion rates assesses where the brand is succeeding and how it can grow more efficiently.

Hint: Brand health tracking research is a useful source of data for the Brand Conversion funnel. Consider measuring brand health for your brand relative to its competitors at least once a year, or more often depending on how dynamic your category is.
Customer Profiles & Personas

How can we bring customers to life?
Profiles and persona’s can be used to ensure positioning and messaging are well-targeted and relevant.

Telecom Category Persona

Blake
Age: 24
Segment: Single Young Tech (Millennial)
Influencers: Parents, Customers & Employer, Social Media
About: Budget, Tech Savvy, Ambitious, Walking Billboard, Early Adopter, Entitled, High churn risk, Not account holder, Wants latest and greatest newest things
Needs: To constantly be in contact, on patents accounts but wants Independence Fast and simple support (preferably digital)
To be Successful: One stop shop for all his needs: simple and easy to use the right information provided when and where he wants it

Golfer Personas

Avid Adam
Age: 38
Work: Digital Ad Sales Manager
Family: Married, 2 Kids
Rounds Per Year: 25+

Causal Carl
Age: 35
Work: Real Estate Broker
Family: Married, 2 Kids
Rounds Per Year: 20+

Single Mike
Age: 27
Work: Sales, Logistics
Family: Single, No Kids
Rounds Per Year: 15+

Retired Robert
Age: 60
Work: Retired
Family: Married, 3 Kids in college
Rounds Per Year: 30+

Online Dater Profile

Gender
- Male: 48%
- Female: 52%

Age
- 21-34: 22%
- 35-44: 18%
- 45-54: 21%
- 55+: 39%

HH Income
- $40,000 - $74,999: 31%
- $75,000 - $99,999: 33%
- $100,000 - $149,999: 26%
- $150,000 or more: 10%

Ethnicity
- White, not of Hispanic origin: 82%
- Other: 18%

Household Size
- 1-2: 44%
- 3-4: 41%
- 5+: 14%

Presence of Children
- Children age 0-5: 17%
- Children age 6-12: 28%
- Children age 12-18: 24%
- None: 54%

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Hint: These are just examples. There are many possible formats.
The Customer Journey Map describes customer paths as they interact with an organization to reach their desired outcome. They also describe the associated needs and perceptions of the brand from the customer point of view.

<table>
<thead>
<tr>
<th>Customer Journey Map</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emotions and Goals</strong></td>
</tr>
<tr>
<td><strong>Customer Steps</strong></td>
</tr>
<tr>
<td><strong>Touchpoints</strong></td>
</tr>
<tr>
<td><strong>Opportunities for Wow Moments</strong></td>
</tr>
</tbody>
</table>

**Hint:** Journeys are increasingly how brands compete.

“Journeys are becoming central to the customer’s experience of a brand—and as important as the products themselves in providing competitive advantage.” —McKinsey & Co.
The Customer Experience Framework describes where the brand should focus to have an impact. Where that focus should be depends on its brand emotion and perception goals.

<table>
<thead>
<tr>
<th>Perception Goal</th>
<th>Uniqueness</th>
<th>Trust</th>
<th>Affinity</th>
<th>Respect</th>
<th>Belonging</th>
<th>Admiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotion Goal</td>
<td>Delighted</td>
<td>Empowered</td>
<td>Proud</td>
<td>Inspired</td>
<td>Loved</td>
<td>Important</td>
</tr>
<tr>
<td>Desired Attributes</td>
<td>Personable</td>
<td>Helpful</td>
<td>Caring</td>
<td>Valued</td>
<td>Friendly</td>
<td>Noble</td>
</tr>
<tr>
<td></td>
<td>Remarkable</td>
<td>Problem Solver</td>
<td>Appreciative</td>
<td>Resource</td>
<td>Like family</td>
<td>Partner</td>
</tr>
<tr>
<td>Customer Design Strategy</td>
<td>Surprise with entertaining moments of joy, fun and revelry</td>
<td>Relieve dissatisfaction, anxiety or vulnerability</td>
<td>Reward and celebrate milestones or achievements</td>
<td>Educate and motivate via personal insights or new ideas</td>
<td>Facilitate connection with other users, friends, family colleagues</td>
<td>Affirm shared ideals and show how together we can have an impact</td>
</tr>
<tr>
<td>Potential “Oh Wow” Moments (Description)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potential Impact (High/Low)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Hint:** Not all brand experiences have the same impact. Think about where to focus to create “Oh Wow Moments” that positively shape brand perceptions.
Audit Outline

How is Audit information organized and presented?

While there is no standard format, most brand audits generally follow a similar outline featuring these five sections.

<table>
<thead>
<tr>
<th>Section</th>
<th>Insights and Questions Addressed</th>
<th>Relevant Frameworks</th>
</tr>
</thead>
</table>
| 1. Current Assessment    | • What are we known for?  
                           • What are our product and brand strengths and weaknesses?  
                           • Where do we have advantages and where are we vulnerable? | • Brand Assets Inventory  
                           • 3-Circle Analysis  
                           • Strategy Palette |
| 2. Future Challenges     | • What are the key trends in the category and overall business environment?  
                           • What are the likely competitive scenarios? | • Competitive Landscape Map |
| 3. Growth Opportunities  | • Where will growth come from?  
                           • What customers matter most? | • SWOT  
                           Brand Conversion Funnel |
| 4. Risks                 | • What are the risks?  
                           • Who should we be worried about? | • SWOT  
                           • Competitive Assessment |
| 5. Marketing Priorities  | • Which customers should we target?  
                           • What needs are satisfied and what else do they want or need?  
                           • How will we create differentiation? | • Customer Experience Evaluation  
                           • Customer Insights Inventory  
                           • Customer Journey Map |

Hint: Think of the audit as a summary, and try to tell a story. Most of the underlying data belongs in an Appendix.
Audit Example: carefresh

1. Assessment

- **6.7 million** U.S. households own one or more small animal pets, including rabbits, gerbils, hamsters, mice and ferrets
- With an average of **2.1 pets** per household, that equals **14 million** small animals owned in the
- As the leading provider of commercial bedding products, Healthy Pet wished to explore opportunities to refine its brand positionings and gain feedback on alternative package designs.
Small pet bedding category is crowded and confusing, with an unclear market structure

- Sea of sameness – Brand packages have similar look and feel, similar claims
- Materials not clearly defined, paper and wood products jumbled together on the shelf
- Inconsistent nomenclature
- Too many attributes = SKU proliferation
- Little guidance for consumers regarding which product is best for which type of pet

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**Audit Example: carefresh**

1. **Assessment**

   - **Market**
     - What are the key trends in the category?
     - What are the key trends in overall business environment?
     - Where will growth come from?
     - What are the risks?

   - **Brand**
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     - How does our offering and customer experience measure up?
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   - **Competitive**
     - Who should we be worried about?
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     - Where are we vulnerable?

   - **Customer**
     - Who matters most today?
     - Who will matter tomorrow?
     - What needs are satisfied?
     - What else do they want or need?

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"It has a heart on it, a green box with red lettering on it. The store recommended it, I go with what they sell me. They said it was good so I said ‘okay’. – carefresh user"

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Low brand awareness and loyalty toward any brand, including carefresh

- Only half of small animal owners recall any brand. Only 18% recall carefresh.
- Past year purchase penetration is low at 36%. Buy out of habit, no brand stands out.
- Carefresh is most associated with cleanliness, naturalness, absorbency and softness, the same as for other brands.
- Many do not know what it is made of, nor do they care – just that it’s soft.

Audit Example: carefresh

1. Assessment

Have I heard of carefresh? Yeah, I remember seeing it in the store. I think I’ve used it before. So far, all the brands I’ve used, Everything seems pretty good. – carefresh user
Audit Example: carefresh

1. Assessment

**Market**
- What are the key trends in the category?
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- Where do we have advantage?
- Where are we vulnerable?

**Customer**
- Who matters most today?
- Who will matter tomorrow?
- What needs are satisfied?
- What else do they want or need?

Leading brands are known but differentiated only on attributes

- Competitors’ offer many distinguishing attributes, but they are rarely tied to higher order benefits
  - Kiln-dried to remove harmful bacteria
  - Chemical-, additive-, by-product- or artificial color-free
  - Natural / eco- or environmentally friendly / compostable/bio-degradable
  - Only virgin, food-grade fibers
  - Pure, never printed paper
  - Sludge-free
Audit Example: carefresh

1. Assessment

- **Market**
  - What are the key trends in the category?
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  - Who matters most today?
  - Who will matter tomorrow?
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  - What else do they want or need?

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Small animal owners are ‘animal people’

- Motives for acquiring pets:
  - Feel helpful/noble – many animals are rescued
  - Make kids happy (and teach responsibility)
  - Have a companion
  - Want to give their pets a good home so they will be happy
  - They show their love by giving pets attention, space, treats
  - Doing their research on what’s best for their pet and make thoughtful choices – nothing dangerous or hazardous

- Ownership rewards:
  - Entertainment – love watching them
  - Affection – Small animal = big love
  - Feeling like a good, responsible pet owner

- Odor is an issue, but most choose bedding based on multiple criteria, not just odor control.
- Softness and safety are key decision drivers for bedding – what would make me comfortable?

*I want bedding to be comfortable for the pets ... Would I be comfortable walking with bare feet on it? ... I pick what looks the softest. – small animal owner*
2. Future Challenges

Elevate the brand to create greater differentiation

• Use key insights about small animal owners and proprietary features to create greater differentiation vs. Kaytee, Hartz and other brands.

• Differentiate based on softness

• Speak in language that reflects how consumers *actually* talk about and choose products for their pets HOMES, E.g., Products talk about ‘odor control’; consumers talk about absorbing wetness

*carefresh makes the happiest, most comfortable small pet homes.*
3. Growth Opportunities

- Convert more aware purchasers to brand users

4. Risks

- Absence of differentiation vs. Crittercare
- Absence of tie to parent brand, Healthy-Pet
- Shift to ecommerce channel where carefresh has less visibility except through retailers
- Pet channel retail consolidation, affecting smaller retail chains and independents
5. Marketing Priorities

• Revise positioning to reflect emotional reasons why
• Emphasize product benefits over features to create greater relevance and stronger differentiation

make it home
small pet bedding
return the love by providing the very best care.
5. Marketing Priorities (Continued from earlier page)

- Update web site, logo and packaging to be more modern, premium, and better reflect positioning.
- Introduce new products specifically designed for nesting animals and in fun playful colors.
- Create purchase loyalty and give back programs to encourage brand affinity.

Audit Example: carefresh

Colorful Creations
5. Marketing Priorities (Continued from earlier page)

- Work with retailers to create stronger in-store shopper engagement.
Following an audit, you are well-prepared to begin strategy development.

Use audit findings to identify a powerful Brand Vision & Narrative, and positionings specific to each of the key audiences or personnas.
Contact us to learn more about brand audits, strategy development or our research offerings.

**Brand Audits**
- Strategic assessment
- Competitive reviews

**Qualitative Research**
- Pop-up communities
- Focus groups
- Bulletin boards
- Individual interview

**Quantitative Research**
- Customer tracking research
- Product concept tests
- Package tests
- Positioning development and validation

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