From SHARE OF MARKET... to SHARE OF LIFE

ERLEBNISSE  EMOTIONEN  BEZIEHUNGEN

GfK Insight Summit 2014
THE RED QUEEN’S THEORY

“Now, here, you can see, it takes all the running you can do, to keep in the same place”

Lewis Carrol, 
Alice Through the Looking Glass
The field becomes smaller: Brands under pressure

Winners / losers; Basis: 1298 FMCG manufacturer brands

<table>
<thead>
<tr>
<th>Loyalty development 2011-2013</th>
<th>Market shares [value] 2011-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Champions</td>
<td>31</td>
</tr>
<tr>
<td>Core business</td>
<td>51</td>
</tr>
<tr>
<td>Burnouts (First Choice Buyer)</td>
<td>18</td>
</tr>
<tr>
<td>Champions</td>
<td>23</td>
</tr>
<tr>
<td>Core business</td>
<td>11%</td>
</tr>
<tr>
<td>Burnouts (First Choice Buyer)</td>
<td>27%</td>
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<tr>
<td>Champions</td>
<td>35</td>
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<tr>
<td>Core business</td>
<td>20%</td>
</tr>
<tr>
<td>Champions</td>
<td>42</td>
</tr>
<tr>
<td>Core business</td>
<td>11%</td>
</tr>
<tr>
<td>Burnouts (First Choice Buyer)</td>
<td>42%</td>
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</tbody>
</table>

**CHAMPIONS** are winning loyal buyers and/or market shares

**CONSTANT** share of loyal buyers and market share remain the same

**CORE BUSINESS** are losing market shares but not loyal buyers

**BURNOUTS** are losing loyal buyers (First Choice Buyer)
Burnout affects more and more brands
Share in all brands [in %]

**Champions**

- Change 2011/2013: 27

**Burnouts**

- Change 2011/2013: 42

- Classic short-term marketing tools are no longer sufficient
- Relationship management for long-term brand loyalty
- Value-based brand management

Source: GfK ConsumerScan

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Given that loyalty in general is dwindling, the decline in brand loyalty is not surprising.

In 1990*, American social philosopher Michael Walzer talked about rising...

...RELATIONSHIP MOBILITY, i.e. an increase in divorce rates and greater change in attachment figures for children

...POLITICAL MOBILITY, i.e. an increase in floating voters and a decline in party membership

...GEOGRAPHIC MOBILITY, i.e. an increase in moving house, second homes, temporary residences and commuters

...SOCIAL MOBILITY, i.e. a reduction in passing jobs and prestige down in the family and an increase in changing employer

This list can certainly be extended – in the consumer goods industry, there is...

...BRAND MOBILITY, i.e. the decline in loyalty to particular products

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Hope Big Data

What is the meaning of knowledge?
Bringing men back in*

People are not additive, but narrative natures

* Borrowed from George C. Homans, 1964; Bringing men back in. American Sociological Review.
Do you know Don?

Don organizes his life efficiently and is thus completely transparent, but he is recognized as social being only by deviations from the norm.
Functionality and Sociality

Big Data will only help if an understanding of sociality exists and if the people will not be reduced as functional natures.
Narration creates loyalty

Only the narrative moments create binding

- What is the relationship between my brand and the people's?

- How can be developed relevant innovations?

- Where and how do I reach people, to bind them emotionally to my brand?
LIFE BRANDS play a key role in people’s lives

New brand management – life brands

OLD: SHARE OF MARKET

- Buyers take center stage
- Relevance to consumption
- Instrumental, economical relationship
- Usage based positioning: need – benefit

NEW: SHARE OF LIFE

- People take center stage
- Relevance to life
- Shared values, emotional relationship
- Relationship-based positioning: strong and weak ties
You have to be more – Let us begin

„You used to be much more..."muchier." You've lost your muchness.”

*The hatter to Alice in „Alice in Wonderland“ from Tim Burton*

Think in terms of paradoxes
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
<th>Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>10:30 – 11:15</td>
<td>With a little help from my friends - Authentische Markenbeziehungen als Schlüssel zum Erfolg.</td>
<td>O. Hupp, GfK E. Maaßen, GfK</td>
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<tr>
<td>11:15 – 12:00</td>
<td>From „Share of Voice“ to „Share of Impact“. New Media Usage and the Return on Investment.</td>
<td>Nik Shah, Facebook Florian Renz, GfK</td>
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<tr>
<td>12:00 – 13:30</td>
<td>LUNCH</td>
<td></td>
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<tr>
<td>14:00 – 14:30</td>
<td>Emotionen auf die Schiene bringen!? Herausforderungen für die zukünftige Markenführung der Deutschen Bahn</td>
<td>Hr. Klenke, Deutsche Bahn</td>
</tr>
<tr>
<td>14:30 – 15:00</td>
<td>Liebe auf den zweiten Blick - Effiziente Kommunikation mit fragmentierten Zielgruppen</td>
<td>K. John, GfK D. Becker, GfK</td>
</tr>
<tr>
<td>15:00 – 15:30</td>
<td>COFFEE BREAK</td>
<td></td>
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<tr>
<td>15:30 – 16:00</td>
<td>Markenführung zwischen Innovation und Emotion</td>
<td>Hr. Breyer, BMW</td>
</tr>
<tr>
<td>16:00 – 16:45</td>
<td>Key Note: Rauhes Pflaster, kühler Charme: Als St. Pauli zur Marke wurde.</td>
<td>Corny Littmann</td>
</tr>
<tr>
<td>16:45 – 17:00</td>
<td>Zusammenfassung</td>
<td></td>
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<tr>
<td>17:00 – 18:15</td>
<td>BEYOND THE MASSES: Viel(e) erreichen, ohne zu laut zu schreien</td>
<td></td>
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