Advertising can be poisonous but it should never damage a brand

By mike broom

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Clicks' blunder was easily avoidable. Was it worth the gamble, if intentional, or will it damage the brand within the hair care sector, or in the larger brand equity. What was the damage?

Jeremy Sampson, the famous, opinionated 'brand father', when interviewed in the fatuous eNews interview on Friday, opined that it is probably OK, and that we will only see the effect over time.

> *@maggsonmedia talks to Brand Finance Africa Director, Jeremy Sampson about Clicks. The Health and beauty retailer is accused of showing prejudice against natural black hair. #eNCA Courtesy #DStv403 pic.twitter.com/lfRo3z0PcA— eNCA (@eNCA) September 4, 2020*

Absolute nonsense and yet another example of the communications industry ignoring the consequences of their actions.

Bottom line question to the market from shareholders and the public is:

> *Why do companies spend tax deductible income on actions that do not provably aid the business?*

There is a strong and long literature covering the social and financial impact of advertising on companies profitability, but much less on the benefit to society of advertising.

On the one hand, advertising practitioners refuse to be held accountable for the 'creativity' of their campaigns' contribution to the brand equity of the brands they represent.

On the other hand, the advertisers' marketing decision makers refuse to be held accountable for the impact on the business and on society, of the sloppy processes and decision making in marketing communications.

No marketing departments report on metrics of the communication targets achieved. Isn't this like commercial corruption? If not, why? Please explain!

This simple high school-level exam question would be failed by every marketing and advertising person in the face of objective auditing of their actions and expenditure.

A simple example may help bring focus to this issue in the FMCG categories. If one looks at a target market, most companies have measures of awareness of the brands in each category. Most brands' brand plans talk about increasing awareness, without reference to the feasibility and cost of increasing awareness.

James Peckham, in his 'Wheel of Marketing', long out of print, pointed out that the amount of brand awareness cannot exceed 100%. Only very rarely does it get close.

It has since emerged that there is a basic level (derived from simple own brand listings) that depends on store distribution are rarely exceeds 10%-15%. So, a marketer is competing for 85% of market volume.

Peckham found that the share of ad spend share, in the current year, higher that the market share of the year before is a good predictor of market share increase. What this means is that an increase of 1% share will cost ((category adspend/0.85)*Alpha*(share of market category adspend (y)/share of market category (y-1)). Alpha would be the 'brand/advertising equity'.

So, much for science – it's impossible to spend that much, so best ignore it!

However, there is another factor, that is the Alpha number in the equation. Call it brand 'leverage' or 'responsiveness' – it's the efficiency of a brand's equity to leverage the marketing spend.

Over the past decade or so, Ad-Audit has been developed to measure the extent of fit of perceived strategy with needs in the market, both in terms of executional expression and articulation of strategy.

Several articles and case studies have been published on Bizcommunity over the years. Yet, we still see blunders of the kind executed by Clicks. All it takes to scientifically assure success (and avoid blunders) is to put in place management policies to pre-test communication with Ad-Audit and thereby advise creatives on improving the presentation of the proposition and thereby optimising the subsequent adspend.

As alluded to in recent articles, recent development of objective measures of the takeout amongst proven influencers at no extra cost has magnified the value of Ad_Audit studies.

ABOUT MIKE BROOM

I have been involved in marketing research for over 40 years, across all spheres. I started Marketing Science in 1992, Infosense (aka Infotools) in 1995 and Panel Services Africa in 2005. For more information on Ad-Audit, please contact me at infoQuest (formerly PSA) on 083 255 2668 or click here to send an email.

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