

THE SHIFTING POWER OF INFLUENCE

By Emmanuel Probst April 2023



The dynamic, rapidly changing, consumer controlled environment demands that we rethink how we build brands, from a static approach to a dynamic, evolving philosophy.

BRANDS ARE NO LONGER FULLY IN CONTROL

In January 2023, Colombian-born singer Shakira teamed up with Bizarap to release “BZRP Music Sessions, Vol. 53,” which aimed her savage lyrics at ex-partner and former Barcelona soccer player Gerard Piqué and his girlfriend Clara Chía Marti. In this song, Shakira likened Piqué’s new romance with Marti to downgrading to a Casio watch, while comparing herself to a Rolex.

The song quickly spread on social media, garnering almost 450 million views as of April 2023. The brief mention of these brands boosted visibility for both watchmakers, earning Casio

\$70M in Media Impact Value, of which \$41 million was generated through social media conversations and online mentions accounted for \$21 million. Rolex garnered \$40.5M in Media Impact Value split about equally between social media and other online sources.¹

However, Casio was initially too slow to respond. This let fake social media accounts and spook sites capture the lion’s share of traffic within the first 24 hours of the song being released. During this time fake social media accounts like Casio_official generated a lot of confusion and delivered

fake news on the reactions of the brand. But Casio’s marketing team eventually returned the diss to Shakira through clever statements:

- “Shakira, we may not be a Rolex, but clearly, customers are loyal to us”
- “In defense of our Casio watches, their battery lasts longer than Piqué and Shakira’s relationship”

Casio even sourced a picture of a younger, cheerful Shakira wearing a Casio, which it captioned: “Remember Shakira, before you were a Rolex (and) sad, you were an amazing CASIO.”

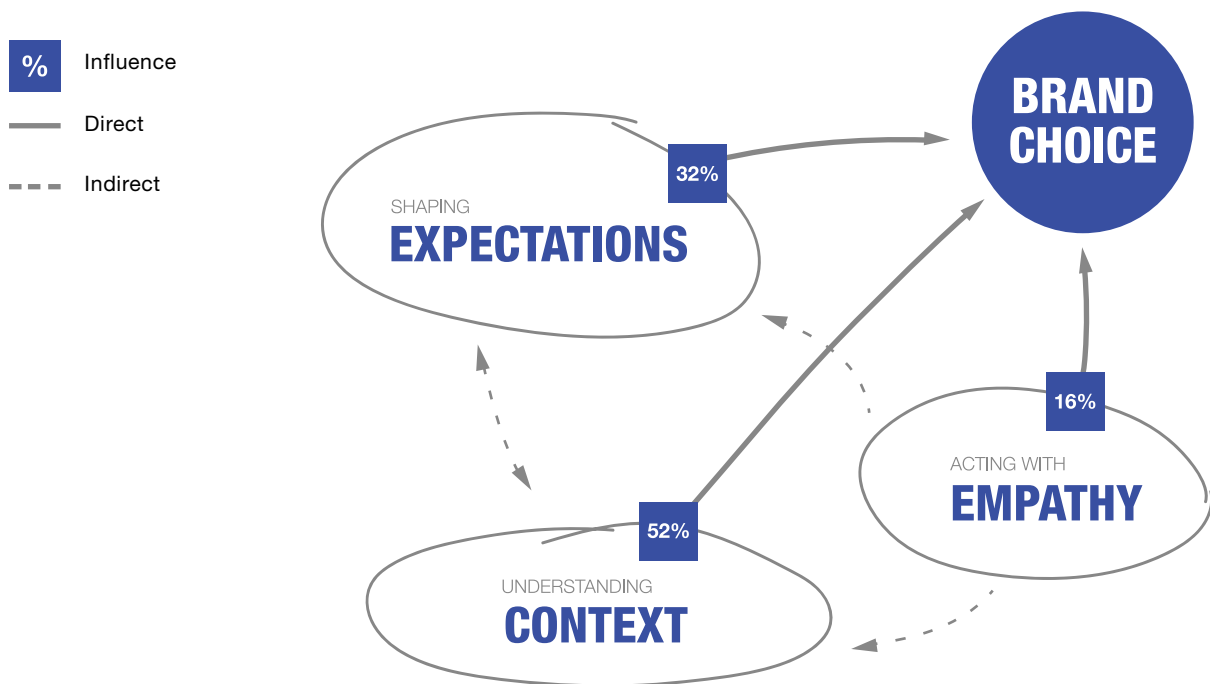
As exemplified by Casio, brands are no longer fully in control of their narrative. Social Media considerably amplified the voice of the consumers



Shakira vs. Casio

to drive the future of the brands in a positive or negative way. New usages are spread and open opportunities for brands. To drive brand success, marketers must understand the role brands play in people’s lives, empathize with them and shape their expectations. Ipsos’ most recent research brings to light how brand choice is driven by shaping expectations, integrating context, and acting with empathy.

Figure 1: Expectations, context, empathy - Three keys to unlock brand success

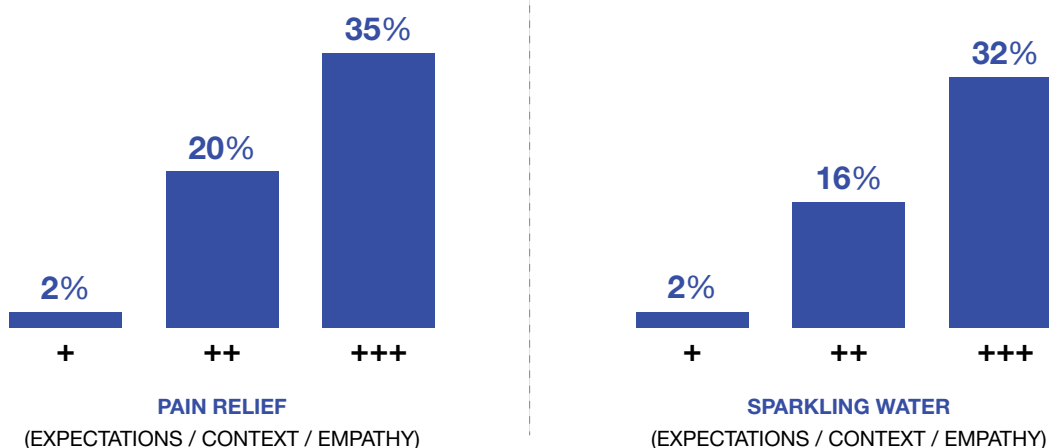


Ipsos R&D 2023: (N=7000) Category Users/Buyers in UK, USA, Japan, France and South Africa across Streaming, Banking, Credit Cards, Sparkling water, Beer, Retail and Analgesics

To further validate this framework, Ipsos zoomed in on the pain relievers and sparkling water categories. The results show that brands that

score higher on expectations, context, and empathy capture much higher purchase shares.

Figure 2: Brands that score higher on expectations, context and empathy capture higher purchase share



Ipsos: Analgesics / Sparkling Water US, Survey data combined with Circana Household Panel Data – n= 2000.

HOW EXPECTATIONS ARE CONSTRUCTED

Expectations are what people think and know about the brand and the category, based on their previous experiences. These include all the expectations people have about brands, such as sensorial, functional, emotional, social, and buying expectations.

This thinking is rooted in the emerging science around the brain being a prediction machine: the brain constructs an elaborate simulation of the world, based as much on its expectations and previous experiences as on the raw data hitting the senses. For most people, most of the time, these simulations coincide with objective reality, but they can sometimes stray far from what is actually in the physical world. Indeed,

the brain draws on past experiences to come up with the best possible interpretation of what it receives, through a process called “unconscious inference.” While we may think that we are seeing the world unfiltered, our vision is actually forged in the “dark background” of the mind, based on what it assumes is most likely to be in front of us (Robson: p.12).² Using predictions helps the brain save energy by cutting down the amount of sensory information it processes so that it focuses on the things that are the most surprising, and which do not fit its current simulations.

The brain is a probabilistic prediction engine, whereby it continuously generates predictions of the structure of the world based upon the



Rimmel Kind&Free

<https://www.youtube.com/watch?v=pg8ldTSqpVI>



Carling Black Label campaign

incoming sensory signals. Indeed, perception, action, homeostatic regulation, and emotion are underpinned by the very same predictive machinery.³ Perception is sometimes said to involve a kind of “controlled hallucination”; what we see is impacted by what we predict ought to be out there. What we predict is itself continually tuned by the actual sensory signals, which work to anchor those predictions to reality.

Brands can shape expectations so that consumers can think and feel a certain way when using the brand’s products. For example, carrying an iPhone makes its user feel stylish and sophisticated even though the product’s functional features are not necessarily superior to competitive brands and the phone is significantly more expensive. Brands can also shape expectations by tapping into emerging trends. For example, British cosmetic brand Rimmel picked up on consumers’ interest

for natural beauty products. In response, Rimmel launched its Kind&Free product line of vegan beauty products that are free from fragrance, mineral oil and animal derived ingredients. Rimmel helped shape consumers’ expectations and their experience towards clean beauty before the trend became mainstream.

In the beer category, Ipsos research shows that in South Africa, 38% of brand choice is driven by setting and meeting consumers expectations. For example, Heineken fulfills people’s expectations towards high quality and inclusivity. In contrast, people choose Carling’s Black Label for its connection with heritage and good value for money.

Perception is sometimes said to involve a kind of “controlled hallucination”; what we see is impacted by what we predict ought to be out there. ”

THE IMPORTANCE OF PEOPLE'S MACRO AND MICRO CONTEXTS

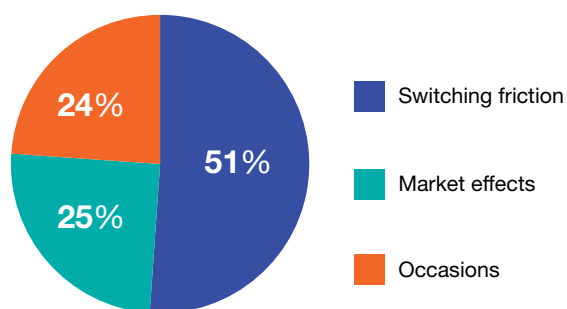
Context is what is happening in people's lives, and the world around them. It plays a critical role in decision making by influencing how individuals perceive and process the choice options. Context and elements like framing effects can activate different motivations, different elements of long- and short-term memory etc., which will affect the expectations that are constructed in the moment. Brands must understand what drives brand choice and who, or what, they are competing against as it shifts across different contexts.⁴

One must differentiate the macro from the micro context: The macro context refers societal and cultural values, norms, prevalent issues, topics, and themes. In contrast, the micro context

embraces the occasions in which people are choosing brands: when, where, with whom, which needs, to solve which problems.

Ipsos research shows that different brands dominate different occasions. In France, for example, 56% of the brand choice in video streaming is determined by context. That is, French people are more likely to choose Netflix and Amazon Prime Video for when watching content in the evening, alone, or as a couple. But when watching with friends, they will choose Netflix or Universal, and if they watch content while doing something else, they will most likely choose YouTube or Netflix.

Figure 3: Micro context matters. In streaming, different brands dominate different occasions



56% of the Brand Choice in Video Streaming in France is determined by the context

Occasions		
	EVENING ENTERTAINMENT ALONE / COUPLE	NETFLIX prime video
	EVENING ENTERTAINMENT FAMILY	NETFLIX Disney+
	EVENING ENTERTAINMENT FRIENDS	UNIVERSAL NETFLIX
	WHILE DOING SOMETHING ELSE	YouTube NETFLIX

Source: Ipsos R&D 2023: Category Users, France, Streaming

ACTING WITH EMPATHY

Empathy is to understand what's important to people, and that understanding is how brands can add to or fit into people's lives. Brand managers who demonstrate empathy endeavor to continuously capture and feel what is important to society, culture, and individuals across contexts and consumption occasions. Ultimately, brand managers must act with empathy by delivering products and services that deliver on what consumers want, need and expect.

Neither empathy nor compassion is an emotion; they refer to our reactions to another person's emotions. In cognitive empathy, we recognize what another person is feeling. In emotional

empathy we feel what that person is feeling, and in compassionate empathy we want to help the other person deal with his situation and his emotions. We must have cognitive empathy, to achieve either of the other forms of empathy, but we don't need to have emotional empathy in order to have compassionate empathy.⁵

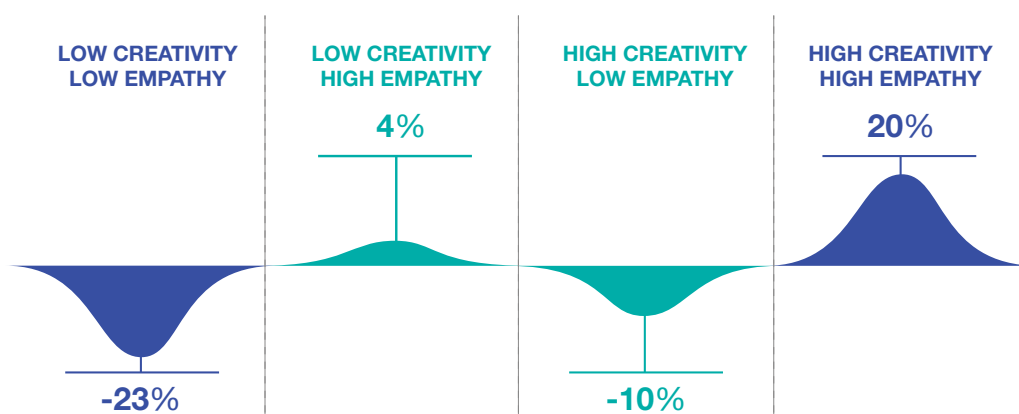
Empathetic marketing is achieved by acknowledging and appealing to the role emotions play in the customer's decision-making process. In order to create emotional ties, the brand must display emotions and passions in its communication.

In order to create emotional ties, the brand must display emotions and passions in its communication. ”



Figure 4: High creativity and high empathy drive more effective campaign performance

% Difference vs. Average Performance on Creative Effect Index



Source: Ipsos Global Ad Testing Meta-Analysis (n=1,734 cases)

Acting with empathy focuses on a total understanding of people, in their personal context, needs and expectations. Ipsos research shows the positive impact of empathetic brand management and brand marketing, whereby empathetic communication is the #1 driver of long-term advertising effectiveness.⁶

An effective way for a brand to demonstrate empathy is to show the human side of the company. For example, the brand may showcase the employees and the people that create and make the product. Brands can also point to their humble beginnings or even highlight their flaws.

CONCLUSION: THE IMPERATIVE FOR A HOLISTIC BRAND UNDERSTANDING APPROACH

The dynamic, rapidly changing, consumer-controlled environment demands that we rethink how we build brands, from a static approach to a dynamic, evolving philosophy. Indeed, marketers must co-create brands with their audience, and shape consumers' expectations for how they interpret brand experiences. To do so, marketers must understand the macro and micro context people live in, and act with empathy so that only their brand can meet these expectations.

This philosophy calls for a new approach in analyzing consumer data and surfacing insights. As people's choices vary based on occasions, the performance of the brand must be tracked across time, markets, and in the context of varied experiences. In the spirit category for example, people are unlikely to shop for whisky in isolation. Instead, people's choices are driven by a specific consumption occasion, such as a dinner with family, a night out, or a celebration.

“For Alcoholic Beverage, context is key to determine what you will drink. Consumers will choose different drinks / brands if they are drinking at home alone, or if they are at a barbeque with family and friends, or at a nightclub dancing.”



Lawrence Mills
Key Program Leader,
Global Spirits at Ipsos

From there, marketers can identify brand growth opportunities tied to specific occasions. For example, Brand A might be best suited for happy hour, while Brand B will be enjoyed at the end of the meal, and Brand C for cooking.

“Global brands have found unexpected opportunities in many countries by spotting special moments and ways of using their products. These findings helped them identify unique levers &

activations to win and grow further within these moments. Such as La Vache qui Rit (BEL group) in Japan who discover the brand had great opportunities there for Tea Time among 40 year old women. Quite different vs kids lunch in French schools.”



Arnaud Care,
Brand Health Tracking Lead
at Ipsos France

Finally, empathy can be measured through a perceived empathy indicator, which relies on image statements to indicate the degree to which a given brand performs on empathy relative to its competitors.

In the coming months, the framework presented in this paper will evolve to provide marketers with a holistic approach to not only measure, but also predict and optimize the success of their brands.



ENDNOTES

1. <https://wwd.com/pop-culture/celebrity-news/shakira-casio-rolex-new-song-music-video-gerard-pique-1235478349/>
2. Robson, David. *The Expectation Effect: How Your Mindset Can Change Your World*. First US edition. New York, Henry Holt and Company, 2022
3. Miller, M., Nave, K., Deane, G. & Clark, A. (2020). *Wilding the Predictive Brain: Embodied, Emotional and Extended*. Wiley Interdisciplinary Reviews: Cognitive Science.
4. Venkatraman, V., Wittenbraker, J. (2020). *Disrupting Dual Systems: A Dynamic Decision-Making Framework for Human Behavior*. Marketing Science Institute Working Paper Series 2020: Report No. 20-123.
5. Powell, P. A., & Roberts, J. (2017). Situational determinants of cognitive, affective, and compassionate empathy in naturalistic digital interactions. *Computers in Human Behavior*, 68, 137–148.
6. Ipsos Global Ad Testing Meta-Analysis (n=1,734 cases)



**FIND OUT MORE ABOUT BRAND SUCCESS BY VISITING
WWW.IPSOS.COM/EN/BRAND-SUCCESS**

Your contact in Germany:

Inga Havemann, Group Service Line Head, Ipsos in Germany.
inga.havemann@ipsos.com

Dr. Oliver Hupp, Service Line Lead Brand Health Tracking, Ipsos in Germany.
oliver.hupp@ipsos.com