

MBLM

**BRAND
INTIMACY
COVID
UPDATE**



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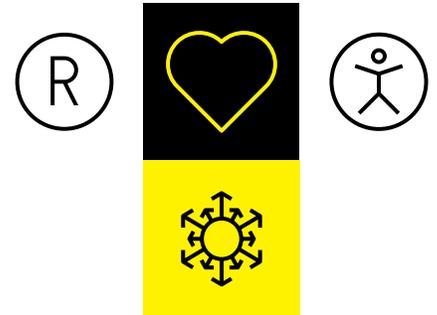


Brand Performance Strengthened During the Pandemic

Has your brand adapted to the pandemic, and how well positioned are you for what comes next?

Last year we produced a Brand Intimacy study specifically focused on COVID's impact on the world's leading brands. One year later, we wanted to follow up to see how the emotional connections between users and brands have shifted, how behaviors have changed, and what patterns have emerged.

We surveyed 3,000 consumers across the United States to detail their experiences in 10 industries and the same 100 brands as last year. What we found is another year of strong performance for intimate brands because consumers have become more reliant on them. In fact, brand strength has improved significantly since the pandemic began.



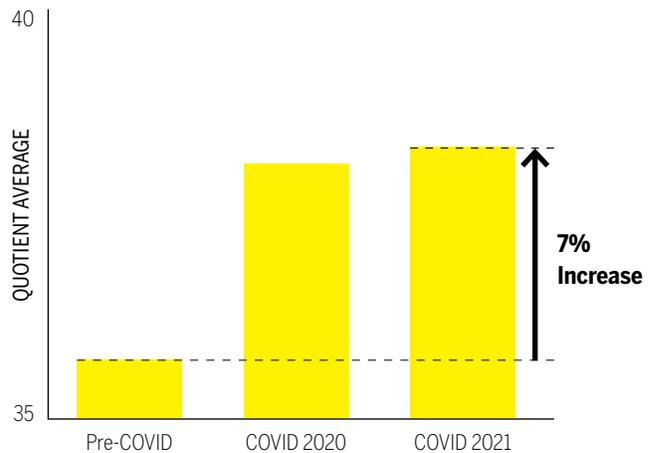
Top-Performing Intimate Brands Generated an Additional \$16 Billion in Annual Profit

Brand Intimacy is designed specifically to help brands meet today's complexities. It is based on a two-way relationship rather than the push-pull dynamic of yesterday and was created to foster relationships and establish trust, engagement, and longevity, essential strengths in today's uncertain world.

Overall Brand Performance Over Time

A 7 percent increase in your Brand Intimacy Quotient performance would:

- Result in your brand advancing in the Brand Intimacy rankings
- Correlate with significant revenue, profit, and stock price increases
- Boost the number of users who'd be willing to spend more on your brand
- Create more consumers who could not live without the brand



Price Resilience

We continue to observe that consumers are more willing to pay a premium for highly intimate brands than for brands with lower levels of intimacy. In addition, the more intimate you are with a brand, the more you are willing to pay for its goods and services.



Top intimate brands have double the number of consumers willing to pay 20 percent more

Financial Advantages of Brand Intimacy

Intimate brands have been outperforming established financial indices and the stock market during the pandemic. Last year, we saw that this held true during the early part of the pandemic and continues a year later. We have compared our top-ranking intimate brands with the Standard & Poor's 500 and the Fortune 500 top brands across revenue growth, profit growth, and stock price during the period of June 30, 2020, versus June 30, 2021.

Intimate brands delivered superior performance across profit and stock prices for both the S&P and Fortune 500, and revenue was a virtual tie.

The percentage differences highlighted are significant and indicate the degree to which intimate brands generate millions more dollars in revenue and profit annually and over the long term. A helpful way to gauge these percentages is to keep in mind that the S&P has a market cap of \$38.2 trillion and the Fortune 500 of \$20.4 trillion. Given the scale of the companies in these indices, fluctuations translate to significant sums.

Financial Performance: 2020 vs. 2021

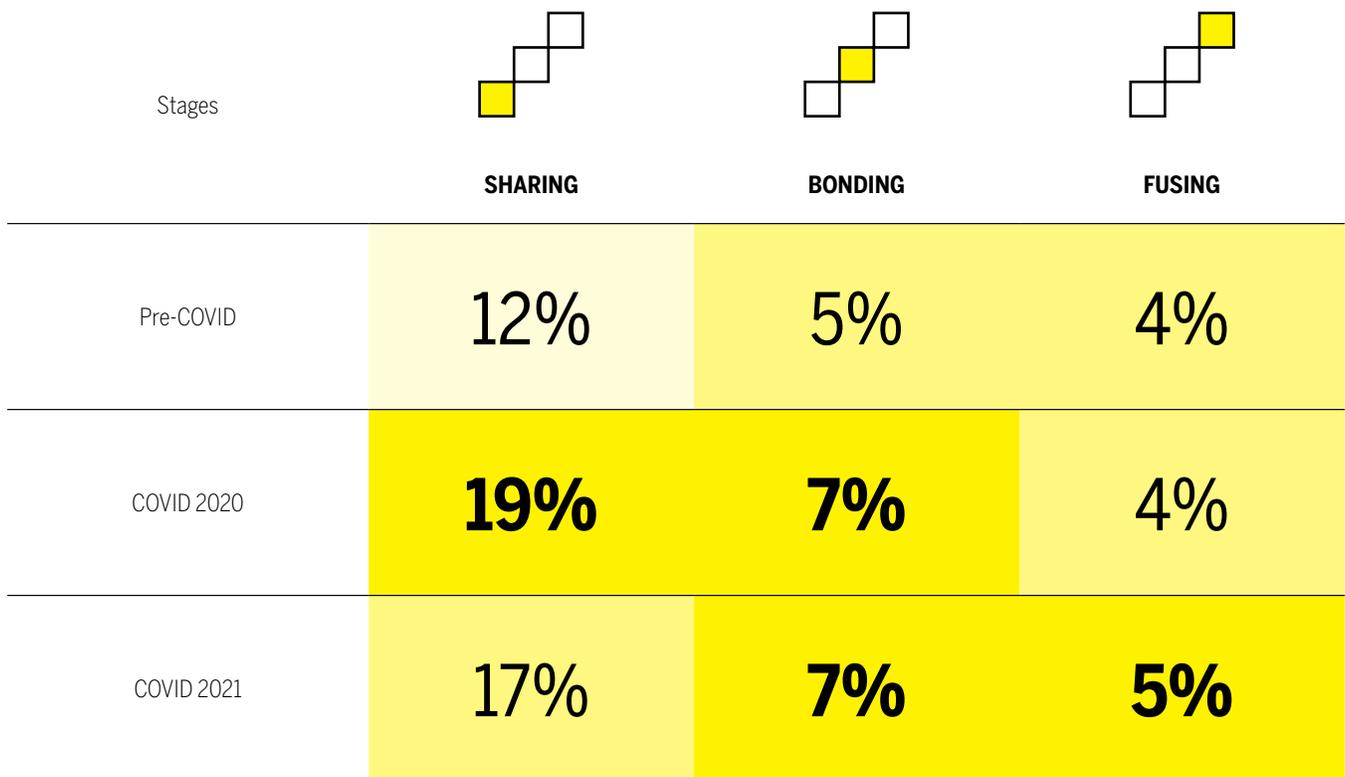


COVID Impact

Most industries and brands have improved their performance significantly during COVID. What we discovered with our two specific COVID studies is that, during the pandemic, the idea of Brand Intimacy has become more meaningful than ever.

More emotional relationships

The percent of consumers in some sort of intimate relationship with a brand has increased **37 percent** since before the pandemic. In addition, you can see the general increase in stage performance during the pandemic compared to before it. Fusing, the most intense stage of Brand Intimacy, has increased **30 percent** when comparing pre-pandemic results to our most recent study results.



Deeper connections

We see many brand measures have increased substantially during the pandemic, and all point to consumers being more attached to and reliant on the brands they use and love. “Can’t live without,” a measure related to how essential a brand is, has increased **48 percent** since before the pandemic. There is a **25 percent** increase in users willing to pay 20 percent more for a brand’s products and services.

	CAN'T LIVE WITHOUT	WILLING TO PAY 20% MORE	DAILY USAGE
	A measure that determines how essential a brand is	A measure that showcases economic equity and price resilience	A measure that links to frequency of use
Pre-COVID	21%	16%	23%
COVID 2020	19%	16%	28%
COVID 2021	31%	28%	30%



COVID Study Update: Top 10 Rankings

There has been considerable movement in the Top 10 rankings, with three new entrants (Target, Costco, and Harley-Davidson). In addition, retail has gained more brands in the Top 10, while media & entertainment has fewer brands.



BRAND INTIMACY

10

Industries

100

Brands

COVID

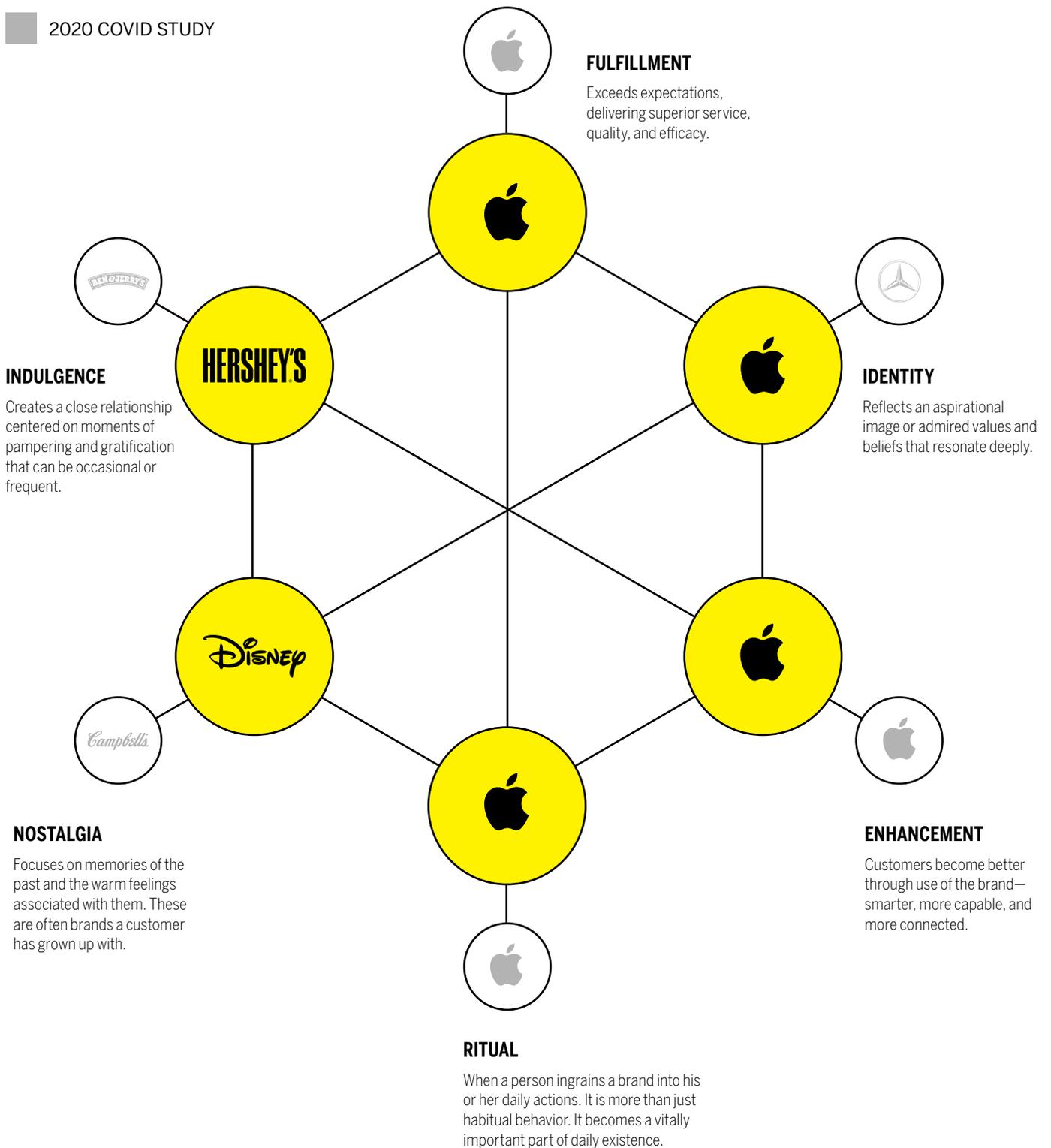
Focused

Top 10		1	
		QUOTIENT	73.7
2		3 	4 
			
QUOTIENT		QUOTIENT	
63.6		56.9	
			
		QUOTIENT	
		56.8	
5		6	7 
			
QUOTIENT		QUOTIENT	
56.1		55.4	
			
		QUOTIENT	
		55.2	
8 		9 	10 
			
QUOTIENT		QUOTIENT	
54.9		54.6	
			
		QUOTIENT	
		54.6	



Top Performers: Archetypes

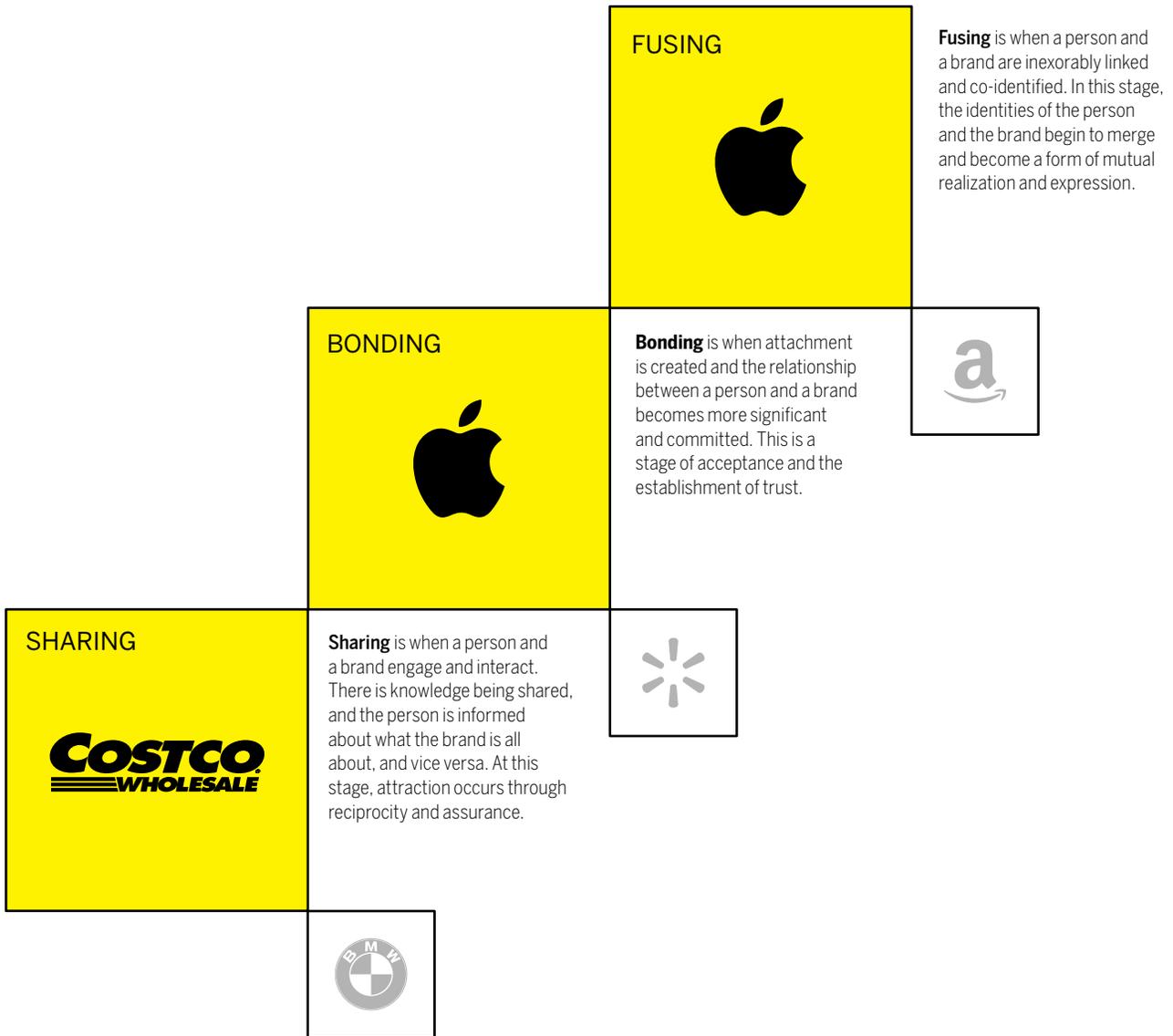
2021 COVID STUDY
 2020 COVID STUDY



Top Performers: Stages

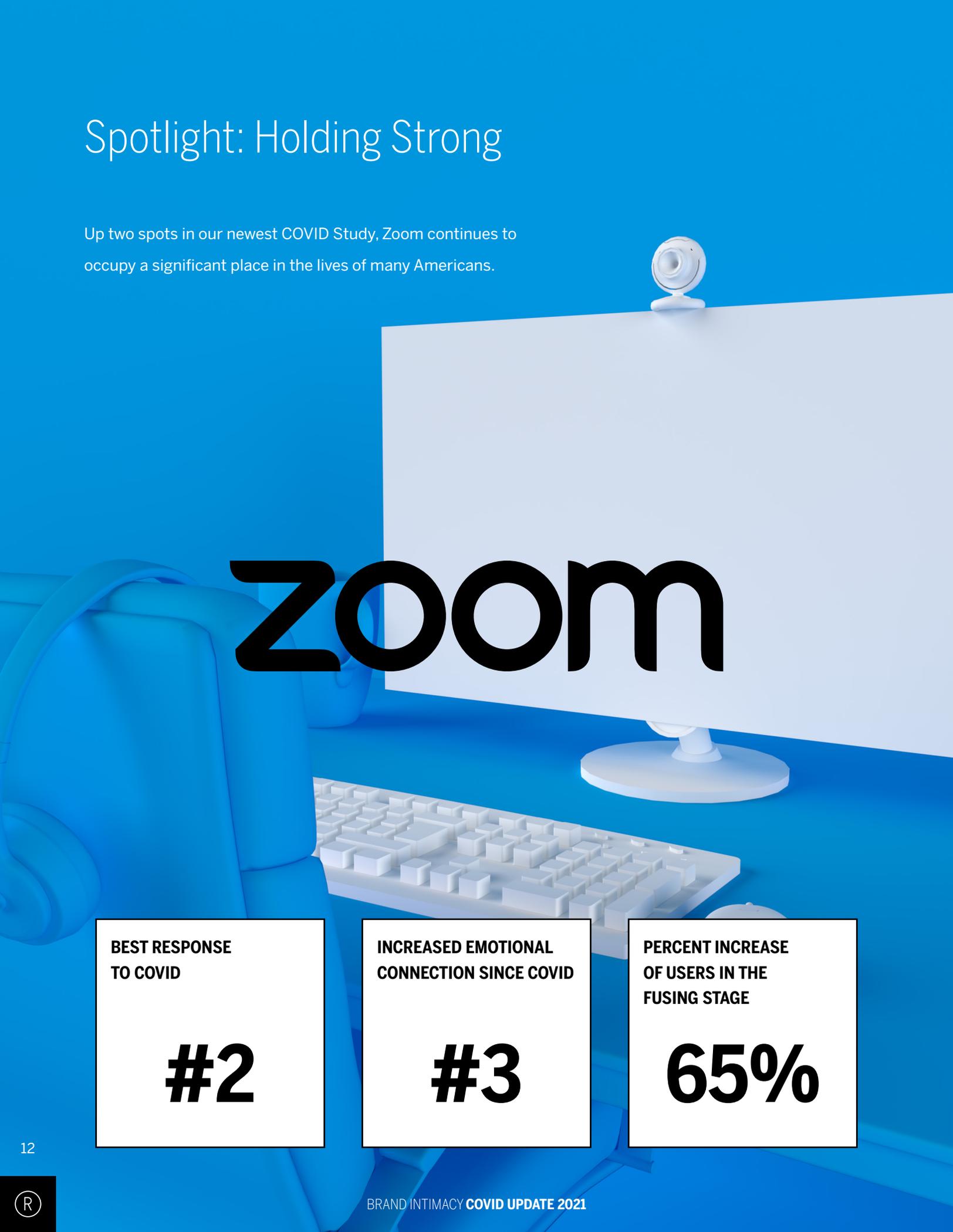
2021 COVID STUDY

2020 COVID STUDY



Spotlight: Holding Strong

Up two spots in our newest COVID Study, Zoom continues to occupy a significant place in the lives of many Americans.



zoom

**BEST RESPONSE
TO COVID**

#2

**INCREASED EMOTIONAL
CONNECTION SINCE COVID**

#3

**PERCENT INCREASE
OF USERS IN THE
FUSING STAGE**

65%



Spotlight: Holding Strong

Up seven spots in our newest COVID Study, Lysol has established itself as an essential item in most homes.



Lysol
BRAND

WILLING TO PAY
20% MORE

#2

BEST RESPONSE
TO COVID

#3

PERCENT INCREASE OF
CONSUMERS WILLING
TO PAY 20% MORE

76%



Spotlight: New Entrant

Costco rose an impressive 24 places to rank 8th overall, which highlights the emotional connections it has established.



HIGHEST PERCENTAGE
OF INTIMATE USERS

#4

USERS IN THE
SHARING STAGE

#1

FULFILLMENT
ARCHETYPE

#3

Spotlight: New Entrant

Up 34 spots, Nabisco delivered comfort and reliability to Americans during these times of uncertainty.



INCREASE IN DAILY USAGE

10%

PERCENT INCREASE OF USERS IN THE BONDING STAGE

124%

PERCENT INCREASE OF USERS IN THE FUSING STAGE

24%



Demographics

GENDER

Rank	Male	Female
1		
2	SAMSUNG	
3		
4		
5	 XBOX	HERSHEY'S

Apple is the only shared brand between men and women when reviewing their top five brands. Men emphasize technology brands and media & entertainment, especially gaming, while women have a more diverse mix of industries.

AGE

Rank	18-34	35-44	45-64
1			
2			
3			
4			
5			

Apple is the only shared top brand across all ages. Millennials feature three media & entertainment brands out of their top five, whereas those 35-44 and 45-64 have more diverse lists.

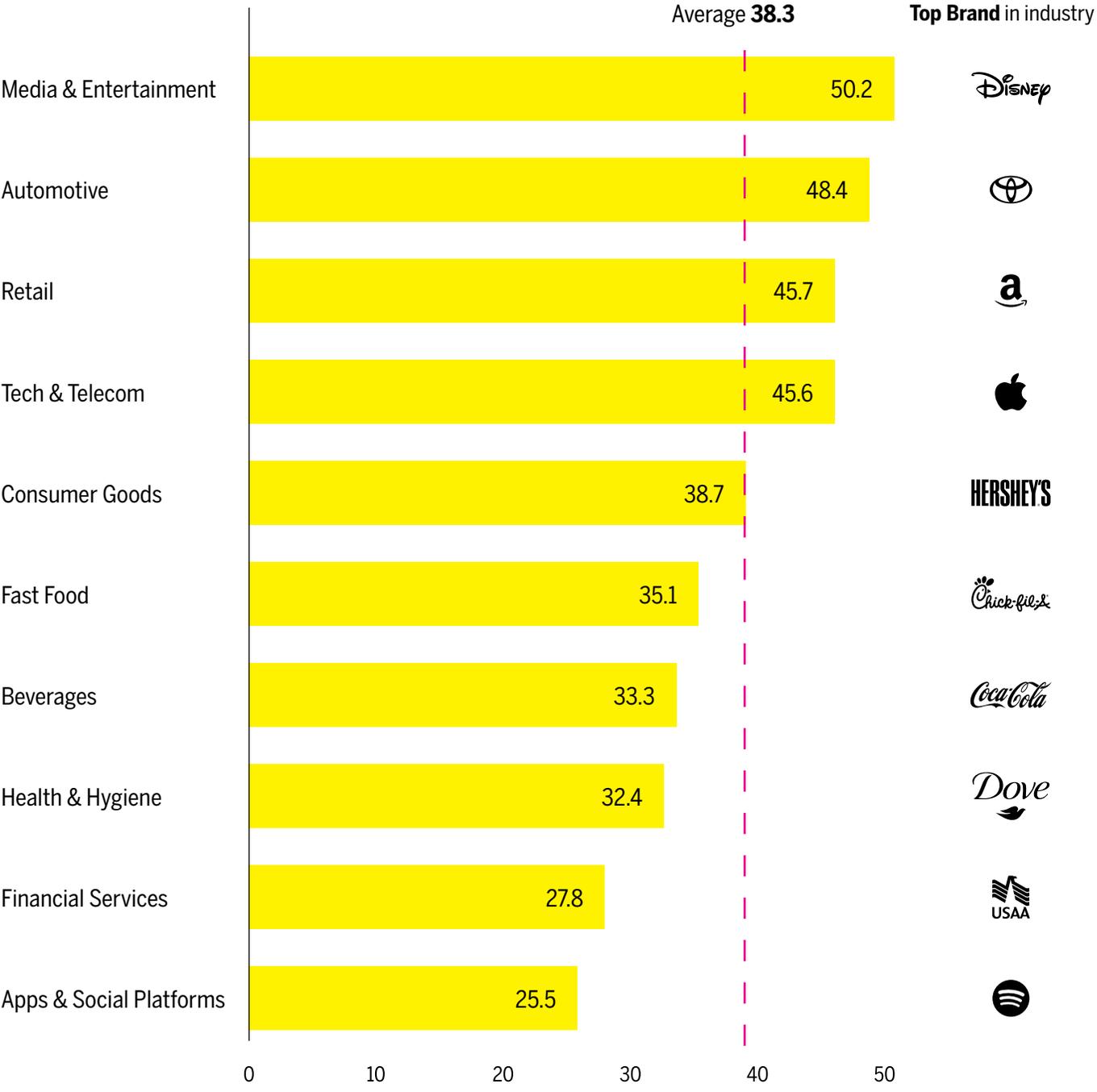
INCOME

Rank	\$35-\$100K	\$150k+
1		
2		
3		
4		
5		

Apple and Disney are shared across income ranges. Both income ranges feature media & entertainment, technology, and retail brands.



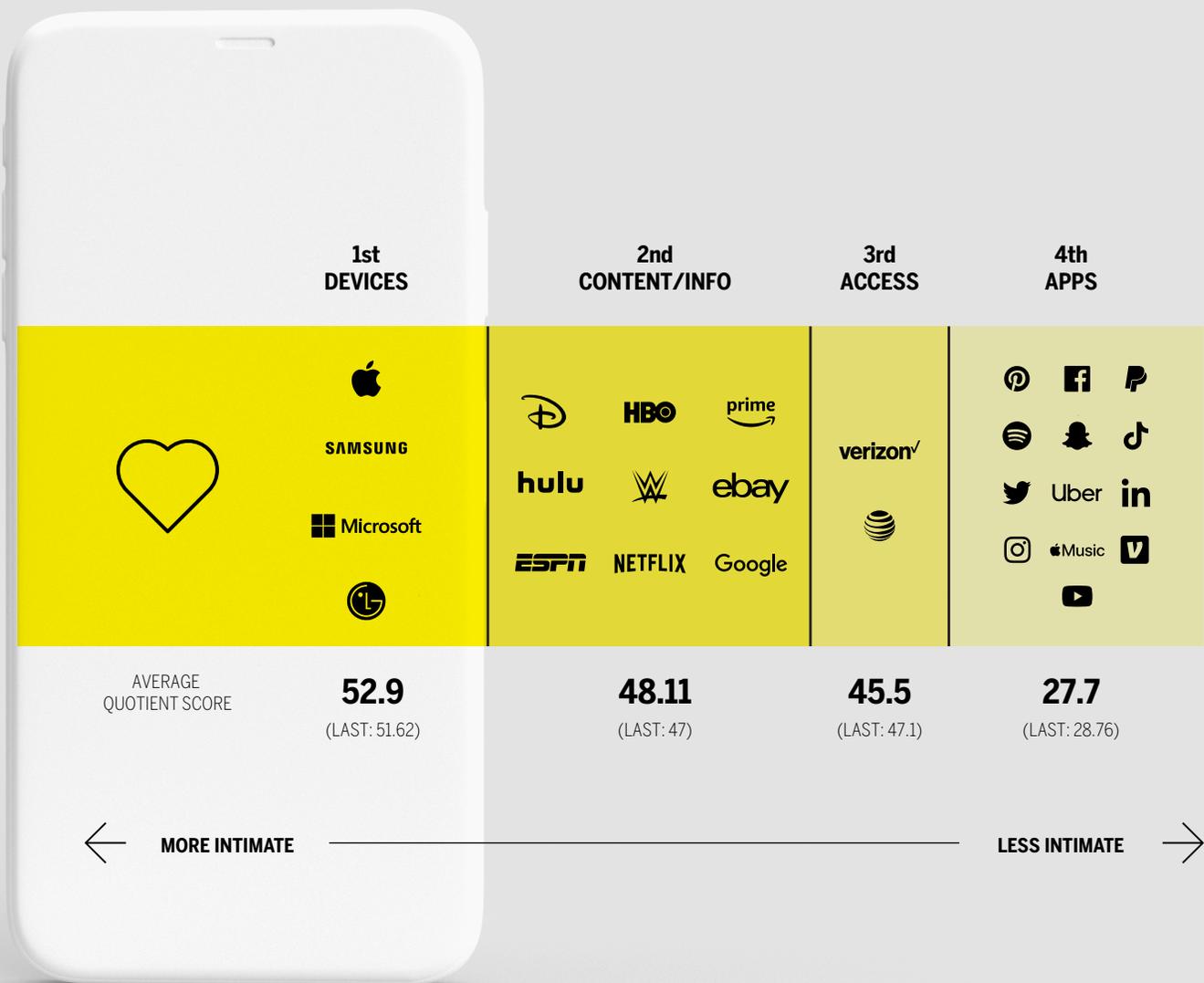
Industry Rankings



Endurance of the Smartphone Ecosystem

Over the past several years, we have found that brands that are part of the smartphone ecosystem generally outperform brands that are not. The average Brand Intimacy Quotient for those in the ecosystem is higher than that of the overall study average. This suggests that, if a brand has a strong presence on these devices, then it can expand its capacity for fostering emotional connections with users. This ecosystem has

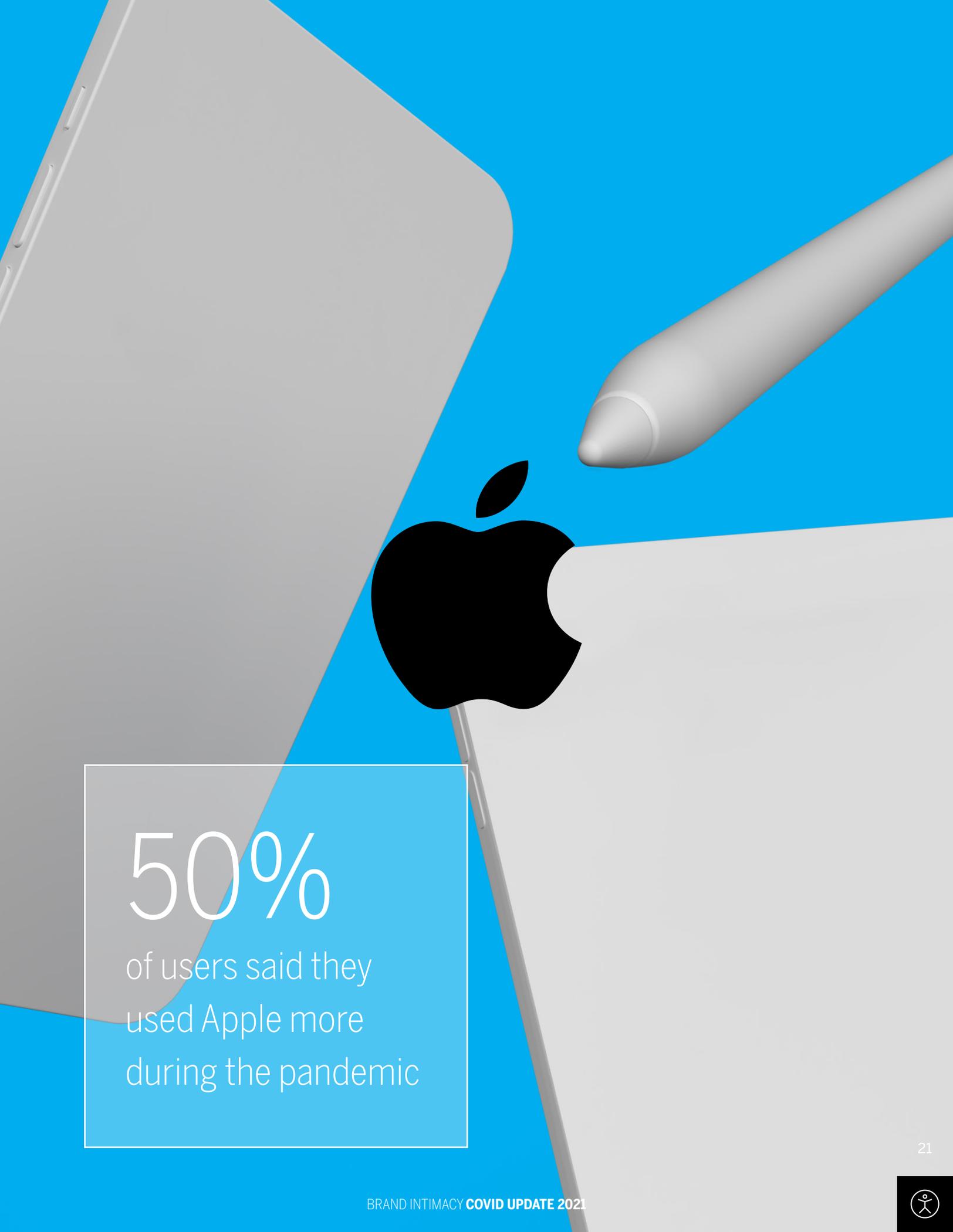
strengthened during the COVID-19 pandemic. The four groups of the smart ecosystem include apps, access, content/information services, and devices. Traditionally, devices and content/information services have higher Brand Intimacy scores than access and apps, which can be seen as utilities or a more ubiquitous part of the larger smartphone experience.



Amazing Apple

Apple continues to dominate and deepen its customer relationships during COVID. The brand has increased strength across a number of key measures, which demonstrates its dominance and ability to build strong emotional connections.

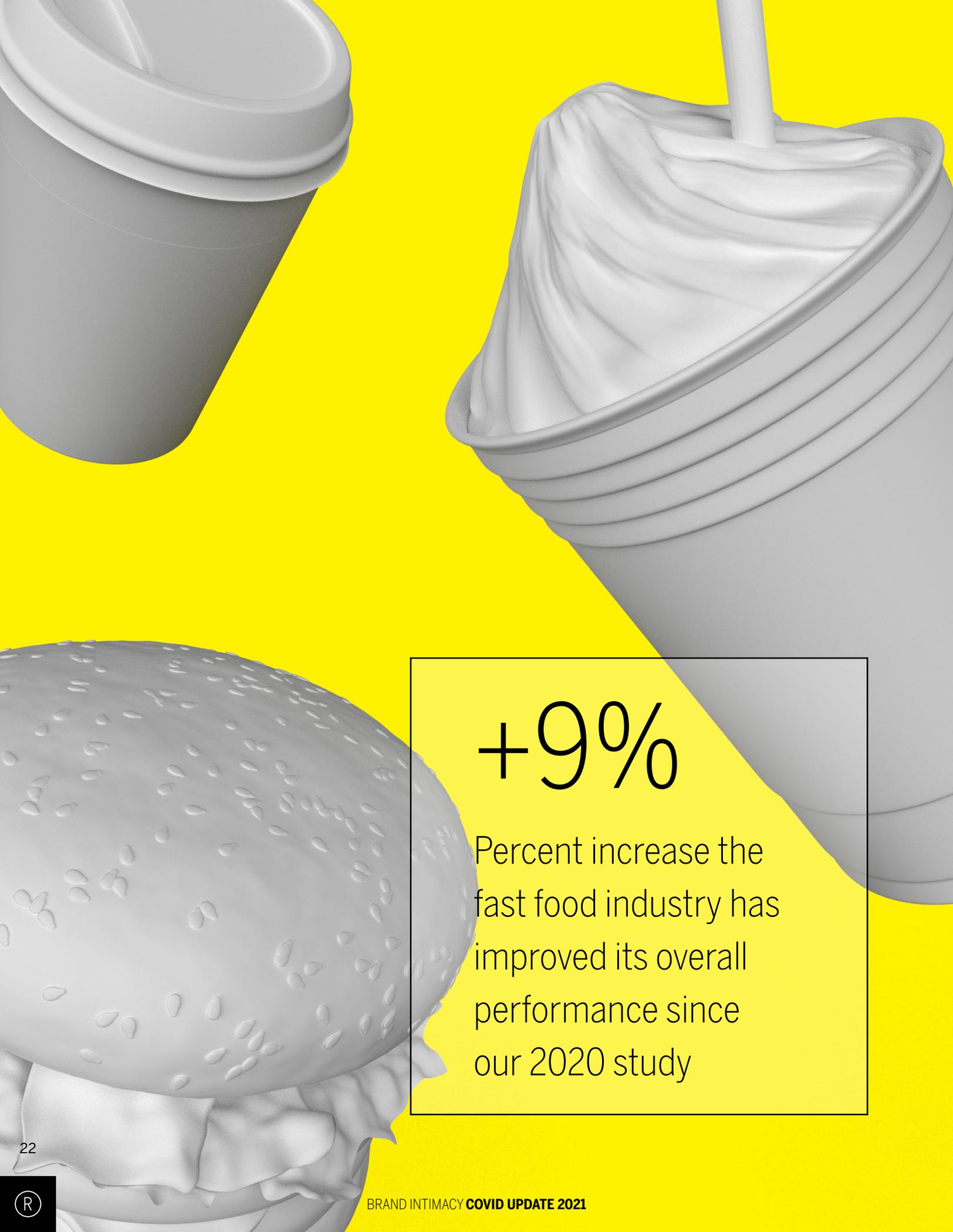
Measure	CAN'T LIVE WITHOUT	PAY 20% MORE	COVID RESPONSE	% INTIMATE USERS
Pre-COVID	33%	22%	N/A	41%
COVID 2020	40%	21%	38%	51%
COVID 2021	48%	29%	44%	52%



50%

of users said they
used Apple more
during the pandemic





+9%

Percent increase the fast food industry has improved its overall performance since our 2020 study

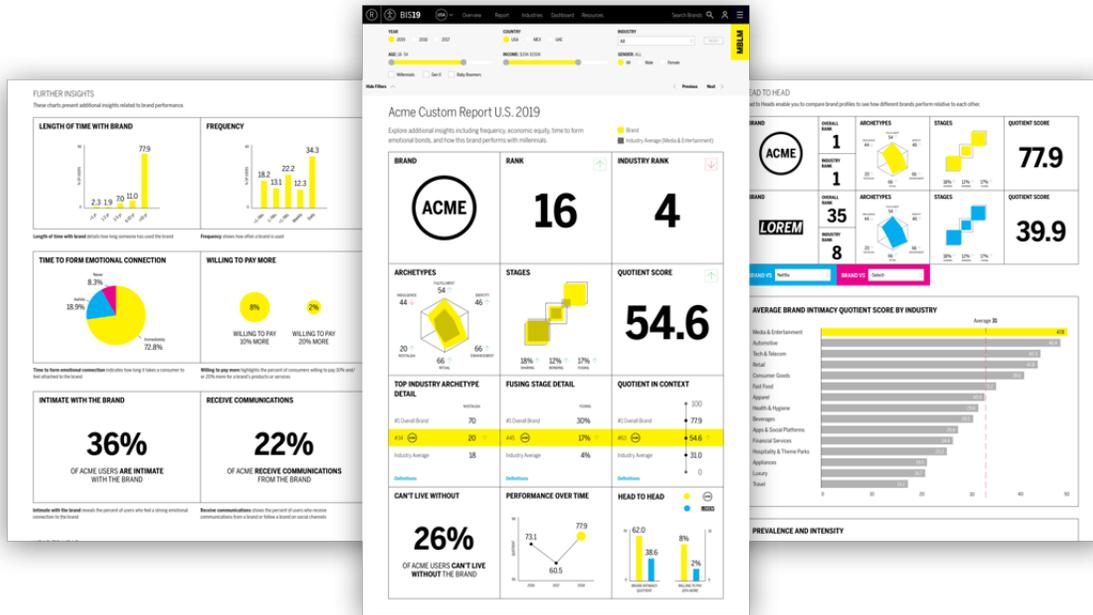
Industry Insights

<p>APPS & SOCIAL PLATFORMS </p> <p>32%</p> <p>PERCENT INCREASE OF USERS IN THE SHARING STAGE</p>	<p>AUTOMOTIVE </p> <p>#1</p> <p>INDUSTRY FOR THOSE 45-64 YEARS OLD</p>	<p>BEVERAGES </p> <p>28%</p> <p>PERCENT INCREASE OF USERS IN THE BONDING STAGE</p>
<p>TECH & TELECOM </p> <p>59%</p> <p>PERCENT INCREASE OF USERS WHO SAY THEY CAN'T LIVE WITHOUT TECH & TELECOM BRANDS</p>	<p>MEDIA & ENTERTAINMENT </p> <p>+15%</p> <p>INCREASE IN DAILY USAGE</p>	<p>FAST FOOD </p> <p>#1</p> <p>PERCENT OF CONSUMERS WILLING TO PAY 20% MORE</p>
<p>CONSUMER GOODS </p> <p>6%</p> <p>INCREASE IN DAILY USAGE</p>	<p>RETAIL </p> <p>#1</p> <p>INDUSTRY FOR THOSE EARNING \$150K+</p>	<p>FINANCIAL SERVICES </p> <p>18%</p> <p>DECREASE OF USERS IN THE SHARING STAGE</p>



Custom Dashboard

Everything you further wanted to know about your brand's emotional performance can be found in the Custom Dashboard. You can compare competitive brands, examine scores year over year, review geographic findings, and examine data across a variety of filters in an easy-to-use, dynamic format.



COMPREHENSIVE DATA ON LEADING BRANDS

EXPLORE
24
Unique Variables

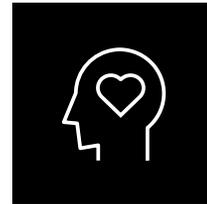
FILTER
Demographics
Geography
Income

COMPARE
Competitors
Past Performance
Best in Class

Brand Intimacy Advantages

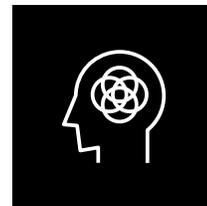
ADDITIVE

Complements existing marketing tactics and approaches



BEHAVIORAL

Focuses on emotional science and decision-making that drives behavior and purchase



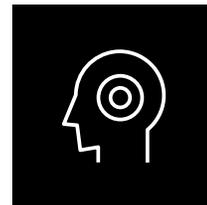
ESSENTIAL

Makes consumers less willing to live without the brand and increases their willingness to pay more



ENDURING

Promotes long-term relationships and provides stability in times of crisis



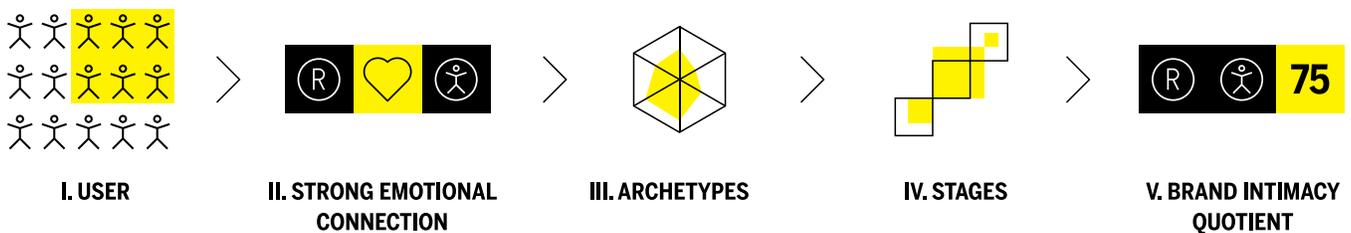
FINANCIAL ADVANTAGE

Demonstrates superiority across revenue, profit, and stock price



The Brand Intimacy Model

A decade of research has helped determine our Brand Intimacy Model, which comprises five key components that contribute toward building intimate brand relationships. The model culminates in a Brand Intimacy Quotient, which is a score each brand receives that indicates its performance.



I. USER

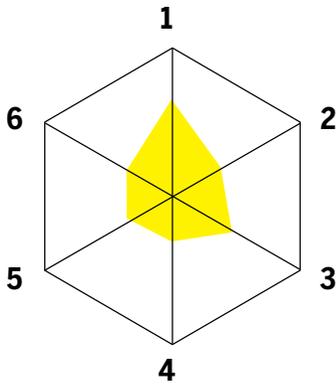
The user is the first part in our model because you cannot be intimate with a brand you have not engaged with or repeatedly tried. Think of this as similar to human relationships; you cannot be intimate with someone you are not already involved with.

II. STRONG EMOTIONAL CONNECTION

A strong emotional connection is a key requirement and the foundation of intimacy. The greater the emotional connection between a brand and a consumer, the more powerful the relationship. This connection is determined by the degree of overall positive feelings a user has toward a brand and the extent to which a person associates the brand with key attributes.

III. ARCHETYPES

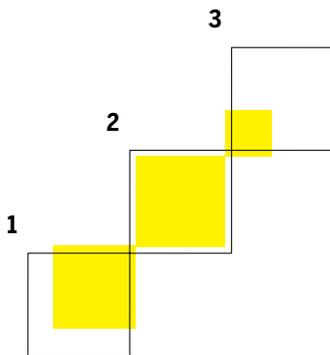
The following six patterns or markers are consistently present among intimate brands. They identify the character and nature of ultimate brand relationships and help determine their strength.



1. FULFILLMENT	Exceeds expectations, delivering superior service, quality, and efficacy.
2. IDENTITY	Reflects an aspirational image or admired values and beliefs that resonate deeply.
3. ENHANCEMENT	Customers become better through use of the brand—smarter, more capable, and more connected.
4. RITUAL	When a person ingrains a brand into his or her daily actions. It is more than just habitual behavior. It becomes a vitally important part of daily existence.
5. NOSTALGIA	Focuses on memories of the past and the warm feelings associated with them. These are often brands a customer has grown up with.
6. INDULGENCE	Creates a close relationship centered around moments of pampering and gratification that can be occasional or frequent.

IV. STAGES

Stages reveal and measure the depth and degree of intensity of an intimate brand relationship.



1. SHARING

When the person and brand engage and interact. There is knowledge being shared, and the person is informed about what the brand is all about, and vice versa. At this stage, attraction occurs through reciprocity and assurance. Should the relationship advance, it would evolve to bonding. Should it decline, it would likely cause disengagement fueled by indifference.

2. BONDING

When an attachment is created and the relationship between a person and a brand becomes more significant and committed. This is a stage of acceptance and the establishment of trust. Should this stage advance, it would move to fusing.

3. FUSING

When a person and a brand are inexorably linked and co-identified. In this stage, the identities of the person and the brand begin to merge and become a form of mutual realization and expression.

V. BRAND INTIMACY QUOTIENT

The score assigned to each brand that ranges from 1 to 100. The Quotient is based on prevalence (the percentage of users who are intimate), intensity (where the relationship is on the spectrum of three stages: sharing, bonding, and fusing), and character (performance on key archetypes).

It is a shorthand score that demonstrates how a brand is performing relative to its ability to create ultimate brand relationships and enables comparisons to other brands in the same category or to the industry average.



INDUSTRY REPORTS



Read detailed industry findings online and in our industry reports to explore how behaviors, bonds and usage has been impacted by COVID and which brands have fared best.

Articles further dimension insights and performance.

- APPS & SOCIAL PLATFORMS
- AUTOMOTIVE
- BEVERAGES
- CONSUMER GOODS
- FAST FOOD
- FINANCIAL SERVICES
- HEALTH & HYGIENE
- MEDIA & ENTERTAINMENT
- RETAIL
- TECHNOLOGY & TELECOMMUNICATIONS

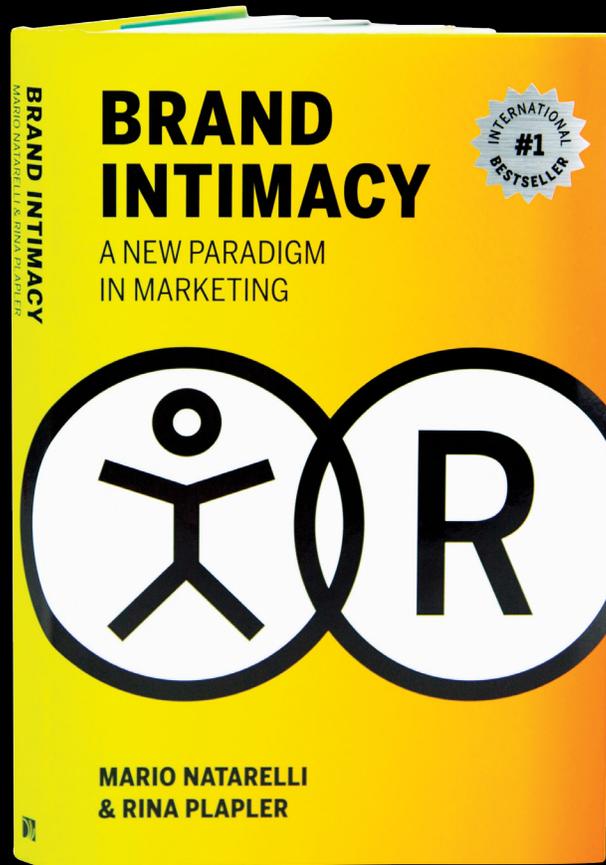
METHODOLOGY

During summer 2021, MBLM conducted a quantitative survey among 3,000 consumers in the United States to understand the extent to which consumers have emotional connections with brands and the strength of those bonds. We also asked specific questions related to the impact of COVID on brand relationships.

MODEL

The Brand Intimacy model measures the intensity of intimate brand relationships and is based on being a user of the brand, having a positive emotional connection with it, and performance on a series of archetypes and stages.

A New Paradigm in Marketing



To learn more about Brand Intimacy in both theory and practice and about how to measure, build, and manage your own intimate brand, order a copy of our international bestseller.



ACKNOWLEDGMENTS

The Brand Intimacy follow-up COVID Study is a comprehensive effort requiring coordination among researchers, strategists, writers, designers, programmers, and coordinators. MBLM would like to thank Mario Natarelli and Rina Plapler for directing, shaping, and driving this new marketing paradigm every day and making it our guiding principle at MBLM. Our thanks to our partners Amy Clausi, Claude Salzberger, Demetri Mihalakakos, and Sidney Blank.

A very special thank you to our dedicated and hardworking team, whose creativity, passion, and energy brought the study to life: Frank Alcock, Lauren De Leo, Nicole Gong, Rachel Hyein Kim, Ashwin Kulothungun, Huimin Lee, Nate Mahadeo, Scott McLean, Angelo Micciche, Dominika Moskal-Hernandez, Alex Tran, Daniel Viera, and Tom Weick.

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BRAND INTIMACY

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