

When traditional loyalty measures are no longer enough

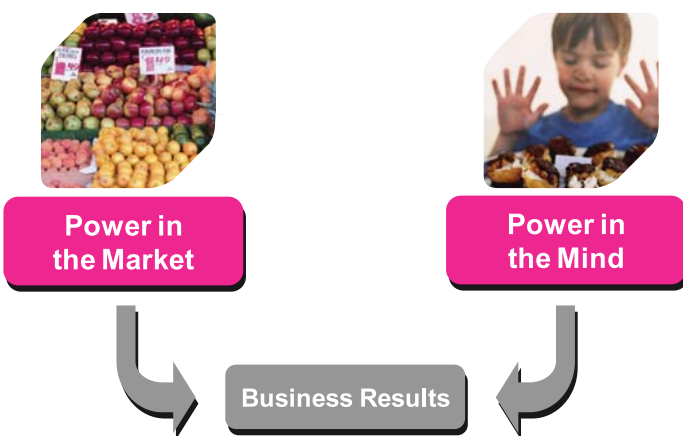
The Conversion Model™ – the world's leading measure of commitment

Marketers are under increasing pressure to develop strategies which lock in existing customers, as well as win over competitors' customers

Customers can and do defect, even when they tell you they are happy ('satisfied') or have been using your brand for a long time ('loyal').

That's where the Conversion Model can help. As the world's leading validated research tool for assessing brand or service commitment and its impact on profitability, it segments consumers according to their relationship with the brand or product category.

Traditionally, measurement of loyalty has been used to measure the strength of brands. But loyalty is behavioural and refers only to the likelihood of repurchase based on past behaviour. Commitment is psychological and refers to what is in the consumer's mind – the strength of the relationship between the consumer and the brand (Power in the Mind™). If the consumer is committed to a brand, he will be loyal as long as there are no barriers to behaviour (Power in the Market™).

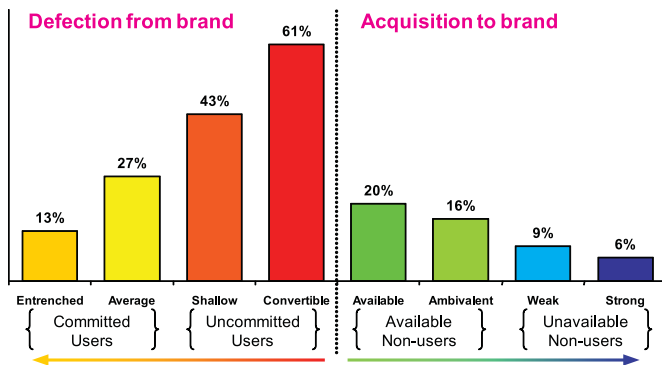


A consumer who is loyal, however, is not necessarily committed. Committed customers also like your advertising more, will pay more for your brand, and will go out of their way to find it.

Why are committed consumers important to a brand?

- They devote most of their category spending to the brand
- They need less persuading to repurchase the brand
- They are more resistant to competitive claims
- They are less likely to accept alternatives when their usual brand is unavailable
- They are less price sensitive than uncommitted consumers
- They have a more positive attitude about 'their' brand than uncommitted consumers

Commitment has been proven to be indicative of future behaviour: where the relationship is strong, there is a higher likelihood of repurchase, and life-time value is higher.



Conversion Model gives you the winning edge

- **It assesses your brand’s overall position in its market** – how many users are secure and how many are vulnerable; whether the brand is in danger of declining or has the potential for growth, allowing you to reallocate marketing resources where they will be most effective.
- **It identifies the strengths and weaknesses of your brand for long-term strategic planning** – it can indicate whether you should be adopting retention or acquisition strategies
- **It ascertains how other brands in your market compare** – which are strong and which are weak; who they appeal to; and the motivating factors
- **It identifies the marginal segments amongst your users** — the brand’s most vulnerable users; which non-users would be the best to target; and which ones are a waste of both time and money
- **It analyses the switching patterns amongst your users** – which competitor brands are vulnerable users being attracted to; and from which brands the available non-users are likely to be acquired
- **It helps in the development of pricing strategies** – if your consumers are committed they are less price sensitive
- **It establishes what is motivating your users** – what are the market’s core drivers; what undermines the commitment of uncommitted customers; and why some non-users are unavailable
- **It tells you what the brand relationship is like across demographic and psychographic groups** – making it possible to target marketing spend to the most appropriate groups

TNS global Conversion Model experience

Developed in South Africa from academic research into the process of religious conversion, the Conversion Model has been extensively validated against consumer purchase panels and longitudinal studies.

It has been used on over 9000 studies, in over 100 countries. Clients include over 70% of the world’s leading brands and multinationals.

Who can benefit from Conversion Model?

Anyone involved in the development of strategies to retain existing customers and win new clients who is interested in using the most targeted and cost-effective methods. The Conversion Model is applicable in both consumer and business-to-business markets.

A simple 3 question battery, the Conversion Model adds value and depth to all types of research (both existing and new), such as customer satisfaction and continuous tracking programmes (whether ad tracking or brand health monitoring), product and concept testing, strategic/U&A studies, database integration and employee commitment surveys. It is a core underlying principle of BPO (Brand Performance Optimisation).

About TNS

TNS is a global market insight and information group.

Our strategic goal is to be recognised as the global leader in delivering value-added information and insights that help our clients to make more effective decisions.

As industry thought leaders, our people deliver innovative thinking and excellent service to global organisations and local clients worldwide. We work in partnership with our clients, meeting their needs for high-quality information, analysis and foresight across our network of over 70 countries.

We are the world’s foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of Retail and Shopper Insights, Stakeholder Management, New Product Development, and Brand and Communications. We are a major supplier of consumer panel, media intelligence and internet, TV and radio audience measurement services.

TNS is the sixth sense of business.

Need more information?

To discuss the advantages of Conversion Model, please get in touch with your local TNS contact or visit our website at: www.tnsglobal.com

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