BRAND INERTIA

Have consumers stopped caring about brands?

A report from Grayling uncovering how audiences are now choosing not to choose when it comes to engaging with brands.

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Have people stopped caring about brands?

Over the past year at Grayling, we've found ourselves debating that question more than ever, and here's why.

Our agency footprint across the UK means we have a deeper connection to audiences, so we pick up on attitude shifts earlier, and we've been seeing undeniable indicators that audiences are becoming hyper-fatigued when it comes to certain brand content. And who can blame them? We're all existing in a state of permacrisis, managing unmanageable costs of living, navigating misinformation and trying to make sense of a constant stream of 'era-defining' technology leaps.

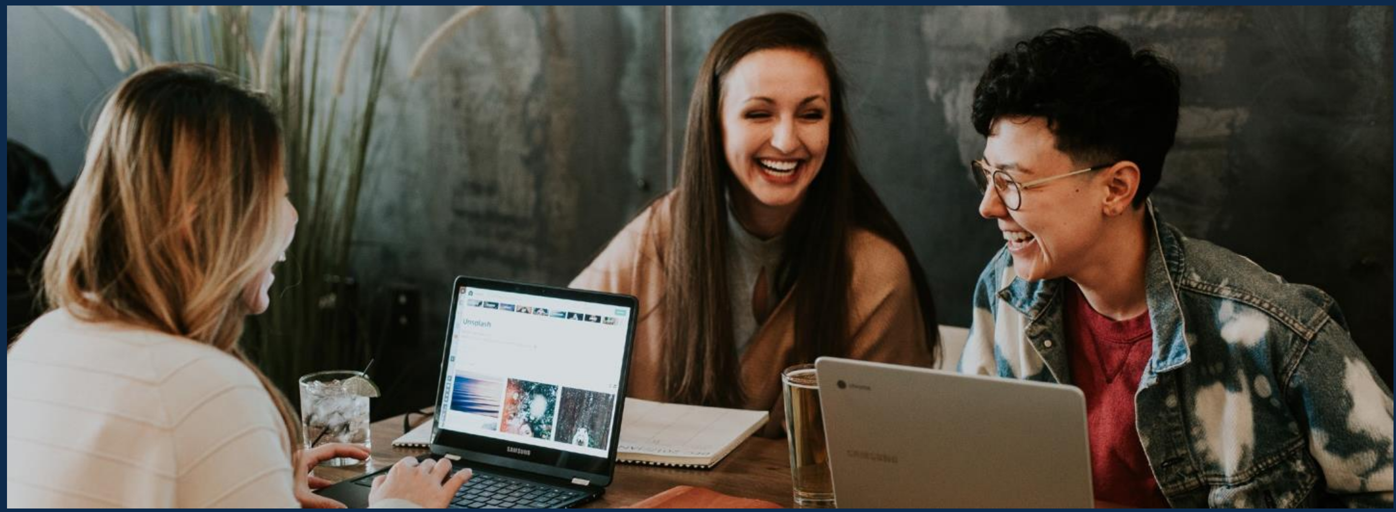
In 2022, our (Dis)Connected Index also revealed that a hefty chunk of the UK population (30%) feels distrustful and disengaged. This group of people reported that they're actively tuning out media in all its forms, which is worrying considering how crucial these channels are for brand communications.

And all the while companies (often rightly) are being called out for pink-washing, green-washing, blue-washing and all-round purpose-washing, leaving consumers feeling cynical, overwhelmed and opting out.

So, Grayling investigated. Are previously engaged people suffering from brand burnout? Are their behaviours changing or stagnating? And is it all bad news?

Our Brand Inertia Report offers an unflinching look at the UK audience landscape and, most importantly, it delves into what new actions we must take as brand communicators to energise our audiences out of their inertia.

Estelle Boon
Head of Brand



OUR APPROACH

In our brand work for clients, step one is to isolate the actions that are Mission Critical – the comms tasks that are absolutely essential for the brand to achieve what it needs to achieve. So we decided to establish whether the Brand Inertia threat is real, and identify the resulting Mission Critical Solutions that all brands should be considering right now. We did this by working with Grayling's specialist Research + Data team, using Advantage Analytics™ and a new national survey – supported by insight from our UK agency network.

We identify a Brand's mission through our proprietary brand diagnostic tool, Advantage Analytics™. Powered by digital data, audience intelligence and deep professional expertise, this tool calculates simple 0-5 scores for a 360° understanding of brand performance, challenges, and opportunities vs. the competition. Increasingly, we've seen the missions we identify through the tool focus on ways to break through inertia and stagnation – in terms of audience perceptions, engagement and behaviours.

EXECUTIVE SUMMARY

We hypothesised that when it comes to their relationships with brands, when people run out of the bandwidth to care and make the active choice to 'disconnect' there will be "a tendency to do nothing or to remain unchanged".

In other words, we believe we are entering an era of Brand Inertia, in which consumers are choosing not to choose.

In this era, consumers will default to familiarity, habit and the status quo, and brands will need to fight harder than ever to gain market share, drive reappraisal and earn their places in people's lives.

The research confirms:

63%

of the public report that they will now reach for a go-to or familiar brand instead of considering all options before purchase.

37%

of those we polled let subscriptions auto-renew even though they know there is likely a better option.

43%

of those we polled will regularly repurchase a product they're not particularly happy with because it's habitual and they value the familiarity.

97%

of consumers are showing at least one sign of inertia when it comes to the brands they choose to support.

However, there are reasons to be optimistic, with signals that audiences are still very much open to brands, but on new terms. And because inertia has never been solved with inaction, this report lays out Mission Critical Actions against each area of concern.

Further analysis shows three particular areas of concern:

1. Blurred Brands

Within categories, consumers are struggling to differentiate between brands and tend to see the same brands over and over.

2. Bad Connection

Consumers are not feeling as connected to brands, and many even think that brands are less connected to people, society and current events than they were two years ago.

3. System Overload

Consumers are increasingly and actively disengaging from brand communications, feeling besieged by too much content that is often irrelevant.

FINDINGS & ANALYSIS

1. Blurred Brands
2. Bad Connection
3. System Overload

BLURRED BRANDS

OUR TAKE

The data clearly shows that audiences aren't seeing distinctions between brands and that brand differentiation in-category is low. The implication is that consumers will see no value in switching or widening their 'portfolio' of brands, leading to a more entrenched marketplace.

In this context, Brand Identity is king. Ensuring your brand has a clear, differentiated proposition and purpose, rooted in real-world value for the consumer will give people the information and reasons they need to either switch to your brand, or stay loyal.

Arguably, well-established brands may benefit in a time of inertia, but shouldn't rest on their laurels as growth-focused companies will be aggressively defining their brand identities around added value, which will be particularly compelling during the cost of living crisis.

Additionally, 64% of those we spoke to still engage more with brands that have personality and stand for something, which offers us exciting creative opportunities when defining brand identity.

MISSION CRITICAL ACTIONS

1. **Clear, differentiated propositions, rooted in added value, will win.**
2. **Distinctive (and resonant) personality helps.**
3. **Purpose still matters.**

Despite the cynical mood of the nation, 50% of those we polled will still advocate for brands that they believe in. Although some pundits say we are living in a post-purpose world, we cannot neglect the half of our audiences who still value it.

75%

of those we spoke to feel that brands in the same sector are all the same.

52%

of consumers say they always see or hear about the same brands.

BAD CONNECTION

OUR TAKE

Consumers are feeling less connected to brands and just shy of 30% even told us that brands are less connected to people, society and current events than they were two years ago. This may be a short-term response reflective of the national mood but if left unattended it will erode the equity of even the most loved brands.

Right now, Brand Elevation is key. Using associations and experiences (choicefully!) to properly connect with consumers again can have a positive commercial impact in the short-term and will continue to build long-term brand equity. Activations that elevate brands out of the quagmire and offer hope or help will produce opportunities to bond with audiences once again and nudge them out of their inertia.

There is a lot of creative opportunity and goodwill here too. 53% of consumers like to discover brands where they wouldn't normally expect them to show up, 51% love interesting brand partnerships that offer them something more and 60% are interested in brand innovations.

MISSION CRITICAL ACTIONS

1. **Resist the temptation to pause investments into stand-out activations.**
2. **Be strategic and selective about them.**
3. **Give the people what they want.**

For example, 84% of consumers are very interested in brand communications around discounts, offers and competitions (i.e. tangible value), compared to 52% who are interested in companies' charitable, community and ESG/CSR efforts.

56%

of consumers can't think of a single brand they feel connected to or that they think understands them.

Only 26%

of those we polled can think of a recent piece of branded content that they emotionally connected with.

SYSTEM OVERLOAD

OUR TAKE

People are feeling besieged by brands. Not only do they report that the content they see is usually irrelevant, but it's clear they simply don't have the bandwidth to digest every piece of communication, from every multi-channel strategy, from every brand. Even on a good day.

We must listen to them, or we will lose them for good.

Taking a Brand Influence approach is critical. In other words, it's more helpful right now to adopt an earned mentality, forcing ourselves to think audience-first versus channel or message-first. By doing this, delivering brilliantly, and measuring performance live, we will start to slow down the firehose of content that is contributing so much to consumers' inertia and apathy towards brands.

MISSION CRITICAL ACTIONS

1. **Take an earned mindset.**
2. **Truly listen to audiences and act on what they tell you.**
3. **Do less, better.**

54% of consumers are still willing to take part in brand feedback surveys or provide feedback on products or experiences when requested to by brands - this is an invaluable opportunity for dialogue that we shouldn't ignore

Many forms of traditional brand communications are performing poorly as consumers literally and figuratively switch on the 'mute' button.

68%

of those we polled are not interested in brand newsletters and blogs.

67%

of people with high levels of inertia say the branded content they see is usually irrelevant.

66%

are disinterested in brand advertising.

CONCLUSION

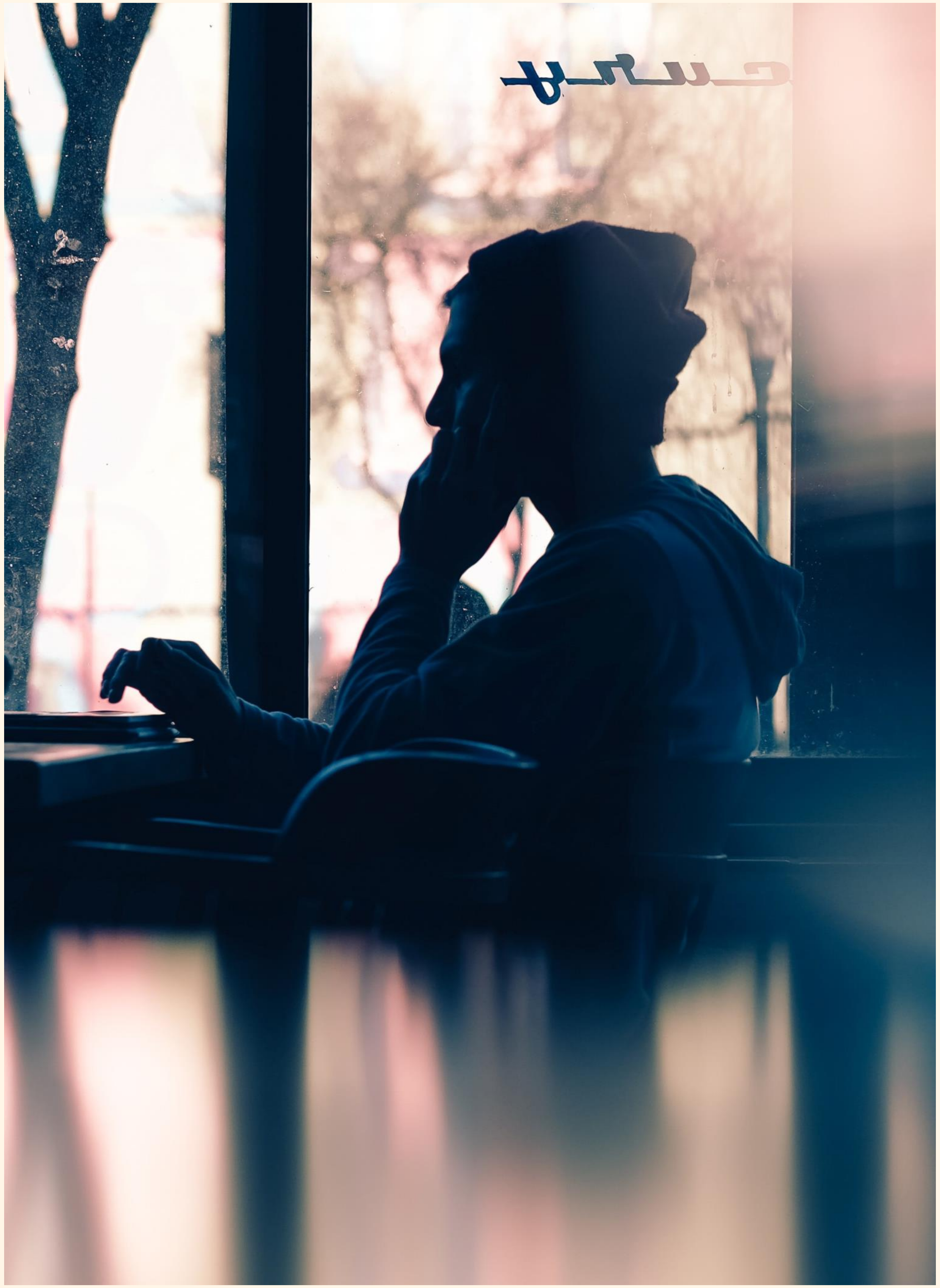
Yes, we've seen tough market conditions like this before, but the staggeringly high numbers suggest the inertia may be very widespread.

And it may last longer too. When we view the data generationally, it shows that younger audiences (18-34) are more open to brand
content, but they're also more likely to stick with their usual products or brands because they feel overwhelmed by choice. Whereas older generations (especially 65+) are far less interested in any brand content (viewing it as self-serving and irrelevant), making them harder to engage. So, we shouldn't expect different generations to influence or encourage each other out of their Brand Inertia.

Despite all this, we're very optimistic. We believe there is a clear path out of Brand Inertia that benefits brands and consumers, but it requires action.

Simply put, knuckle-down on Brand Identity, Brand Elevation and Brand Influence. And internalise the fact that audiences want brands to engage with them on new terms.

Not every brand needs to tackle every one of these tasks, but tackling none risks sailing into brand oblivion.



SUMMARY OF MISSION CRITICAL ACTIONS:

Blurred Brands

Solution: Brand Identity

Mission Critical Actions

Clear, differentiated proposition
Resonant and distinct personality

Purpose

Bad Connection

Solution: Brand Elevation

Mission Critical Actions

Continue to invest
Be strategic and selective

Give back to consumers

System Overload

Solution: Brand Influence

Mission Critical Actions

Earned mindset
Guided by what audiences want/say

Do less, better

THANK YOU

BRAND INERTIA

For any further information please get in touch with Estelle Boon, Head of Brand: Estelle.Boon@grayling.com

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