



# BYRON SHARP

Professor of Marketing Science, Author of *How Brands Grow*

Byron Sharp presented a challenge to the 2011 Brandworks University crowd. Beginning with a history of medieval medicine, Sharp called on marketers to get serious about the science of their profession. Marketing science, as practiced by most people, is still stuck in the dark ages, and without a serious examination of the real basis of brand growth, marketers are chasing one fad after another to explain how and why consumers drive brand success.

## ***There is no cult of brand loyalists***

The fascination with emotional relationships with customers and the apparent common sense example of brands with cult followings leads many marketers astray according to Sharp. For such theories to be valid they need to be visible in the purchase behavior and data. The idea that marketers need to strive for deep relationships with their buyers also ignores the truth that most consumers are too busy to care about brands and prefer to develop and nurture relationships with people.

Brands like Harley Davidson and Apple, which are thought to be brands with deep relationships with their customers, do not show increased loyalty in purchase behavior when compared to competitors. “Brands vary tremendously,” detailed Sharp. “Except in their loyalty metrics.”

His research has revealed that each person has at least a 50 percent chance of sticking with the same brand, ranging from toothpaste to television programs to vehicles, throughout their lives.

## ***The real laws of marketing***

While deep emotional relationships might not be a principle to guide marketing, Sharp did reveal law-like behaviors marketers can count on when evaluating their brand strength. The double jeopardy law shows large brands have more customers who are slightly more loyal than the smaller competitors. These weaker brands are doubly harmed in that they have fewer customers, and those customers are less loyal than the category leader. This law is vital because if corporations want to grow they need to increase the size of the customer base quickly and dramatically.

For Sharp, the sole goal is to chase market penetration in order to see growth and success in a brand. Loyalty is an attractive idea for marketers, but according to Sharp’s longitudinal study, it is not something marketers can influence greatly.

Perhaps one of the causes of the fascination with loyalty is the mistaken belief by many advertisers that their customers

are different, and that they have a special reason to buy their particular product. Armed with reams of research, Sharp displayed how this belief is in fact a myth. There is no “our” or “your” or “their” customers. Your customers are like your competitors’, and theirs are like yours; many times their customer is buying your product and vice versa.

What’s the silver lining to this harsh reality for marketers? You can steal the buyers from some of your closest competitors. Of course, they can just as easily steal your customers too. Perhaps the most damaging myth affecting modern marketing is the continued belief in the 80/20 rule. If 20 percent of customers did drive 80 percent of sales, it makes sense for marketers to focus on them, but the truth is more like 50/20. A sizeable amount of sales is left on the table when marketers do not try to appeal to the customers of the category as a whole or be memorable enough for customers to identify the brand at the moment of truth.



*Byron is professor of marketing science and director of the Ehrenberg-Bass Institute for Marketing Science at the University of South Australia. Dr. Sharp has published over 100 academic papers and is also the author of “How Brands Grow,” a book that details much of the Institute’s findings.*

## ***How to grow your brand***

To grow, brands need to follow two principles:

- 1) Expand physical availability by making your product available to as many buyers as possible.
- 2) Expand and enhance mental availability of your brand. Brands need to know what assets customers strongly connect with your brand, and brands need distinctive elements that help jog the memory of your brand in customers’ minds.

By avoiding myths and relying on the truth of marketing data, marketers can drive long term growth, but first they must unlearn some of the bad science that has been guiding their actions for years.