



Frequently Asked Questions

**we
are**

BXG

THE BRAND EXPERIENCE GROUP
The Unifying Currency...

BXG

The Brand Experience Group

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STRATEGIC POSITIONING

1. WHAT IS BXG ALL ABOUT?

The Brand Experience Group (BXG) is focused on helping brand-owning businesses deliver a step-change in the effectiveness and efficiency of their demand generation spend, accelerating growth by optimizing consumer engagement across channels and consumer touchpoints, globally. The Brand Experience Group (BXG) has developed a unique Brand Experience research methodology and analytics platform (powered by the Market Contact Audit - MCA[®]) that provides quantitative category, market and brand-specific insights that inform resource allocation and execution decisions and are strong predictors of brand health and market share growth.

2. WHAT IS OUR VISION AND AMBITION?

Our vision is to have our Brand Experience common currency be adopted globally across as the single, standard metric that is used to measure the effectiveness of marketing and as such to understand the real impact of communication on business outcomes. We will unify brand owners and their agency partners and raise the stature of the marketing community in the eyes of business leaders.

3. WHAT ARE BXG'S ORIGINS?

The MCA[®] was originally developed by BXG and applied for leading CPG companies such as Procter & Gamble & The Coca-Cola Company to help companies optimize their overall marketing and broader demand generation spend to drive sales and market share. It informs product and service-based brands about where they are winning and losing in engaging consumers versus competitors, about their performance in marketing communication and about how well this is converting into sales.

4. HOW DOES IT WORK?

Rather than the input-based measures such as click-throughs and GRPs that have traditionally been used by marketers, BXG uses true outcome-based MCA[®] brand experience metrics that correlate with market share. We use our uniquely objective Voice of the Consumer (VoC) research platform to understand consumer engagement with categories and brands and use proprietary algorithms to measure and track consumer Brand Experience in a way that informs resource allocation decisions and anticipates market share and growth results. The foundations are very robust.

5. WHY ARE BXG AND MCA[®] UNIQUE?

Alongside our Voice of the Consumer (VoC) research platform and proprietary algorithms, BXG's key differentiator is the ability to understand and measure consumer engagement systematically across channels and markets in our increasingly multi-channel world (digital, mass media, on-line, in-store etc.) with a common Brand Experience currency. This common currency measures synergies and carry-over effects across touchpoints on the path to preference and purchase. It has been used by close to 200 leading brand owning businesses in sectors such as Food & Beverage, Tobacco, Consumer Electronics, Retail, Media, Telecoms, Automotive and Financial Services to help build brand health and wealth, drive growth and optimize demand generation spend effectiveness and efficiency.

6. WHAT DATA DOES IT NEED?

The MCA® provides a wealth of insights based on a relatively limited data set. As input into the research, one needs to provide the relevant contacts (or touchpoints), the competitive set, the consumer profiles and the spend data per contact. There is no need for large, historical and potentially incomplete or inaccurate data sets. As such, MCA® allows you to 'hit the ground running' and increase your insights through ongoing tracking of your activities and results.

7. WHAT VALUE DOES THE MCA® BRING TO BUSINESSES COMPETING IN NEW AND RAPIDLY EVOLVING CATEGORIES?

The relevance of different touchpoints across channels and how they combine to influence consumer choice is category-specific – each category having its own touchpoint pattern or fingerprint. The first stage in any MCA® is therefore to understand how consumers engage with the category, identifying the power of each contact type as measured by its 'Contact Clout Factor'. Domino effects (i.e. how one type of contact impacts receptivity to others) across contact types are also measured to fully understand the category from a consumer perspective, agnostic of any specific brands. This is hugely powerful in new and immature categories, allowing marketing teams to understand the category and develop well-informed marketing strategies and plans.

8. WHAT VALUE DOES THE MCA® BRING TO BUSINESSES LOOKING TO LAUNCH A NEW PRODUCT OR BRAND?

Because the MCA® brings true VoC-based insights, in advance of any brand or product launch, it reveals how effectively existing brands are engaging with consumers across category touchpoints. In combination with the category Contact Clout Factors and associated Domino effects, this provides powerful and actionable insights to inform marketing and broader commercial strategies to support the brand launch.

9. WHAT SORTS OF ORGANIZATIONS DOES BXG SERVE?

BXG serves national, regional and global businesses looking to build brands, drive growth and win market share through products and services that meet and exceed consumer demands and expectations in our increasingly multi-channel and purpose-driven world. It is especially relevant to organizations looking to understand how the digital and physical worlds interact to provide a holistic brand and consumer experience that maximizes engagement and sales conversion.

10. WHO DOES BXG SERVE IN THOSE ORGANIZATIONS?

BXG is all about driving growth, building brands, building new capabilities and optimizing the returns on demand generation spend. We therefore serve a broad range of stakeholders. Ultimately, we serve leaders who want to do the right thing for their businesses based on genuine Voice of the Consumer (VoC) based insights. We therefore serve: business leadership on growth, transformation and value creation; marketing & sales leadership on brand building, activation and sales conversion; and empower strategy, insights and data science teams who want truly robust and actionable insight. We also work closely with the Marketing, Sales, Insights, Finance, HR, IT and Procurement teams to embed new ways of working so that performance improvements can be sustained, built on and replicated across markets categories and brands.

11. DOES THE MCA® HELP US TO UNDERSTAND CREATIVE QUALITY AND IMPACT?

Agencies typically struggle to find ways to show the true value of their creative output, i.e. what is it delivering to the business, is it better than previous work, is it winning versus competitors, is it building better consumer journeys? MCA® metrics provide transparency of what's working and what's not providing line-of-sight from marcoms to business performance. Touchpoint performance versus competitors provide insights into what individual creative is working well versus less well, prompting follow-up into consumer response to creative strategy and execution.

12. HOW DOES THE MCA® IMPACT THE RELATIONSHIP BETWEEN A BRAND OWNER AND ITS CREATIVE AND MEDIA AGENCIES?

The single MCA® Brand Experience single currency unites client and agencies behind brand experience and market share growth as the key indicators, with MCA®'s brand experience more closely correlating with market share growth than any other measure such as GRPs or share of voice. In this way, it has the power to transform agency/client relationships based on a comprehensive shared data set, shared insights and a common language, providing a more secure platform for agency input to strategy and activation. This can drive longevity of relationships through better longer terms planning, KPI tracking and continuous improvement. It establishes a new level of transparency which the best agencies, with confidence in what they do, will embrace fully and see it as a powerful strategic differentiator, while the less confident will be disrupted. Overall, it will be hugely supportive of the professionalism and reputation of the advertising industry.

13. IS THE MCA® TYPICALLY A ONE-OFF EXERCISE OR DOES IT HAVE AN ONGOING ROLE IN THE CONTINUOUS IMPROVEMENT OF DEMAND GENERATION SPEND EFFECTIVENESS AND EFFICIENCY?

To get the full benefit of the actionable VoC insights that the MCA® brings, we recommend that it is run at intervals so that the impact of changes to brand building and activation plans can be seen and a virtuous circle of continuous improvement established. Depending on how dynamic the category is, anywhere between two and four times a year can make sense. Once the initial set up is complete, including definition of competitor brand scope and category touchpoints, repeating the MCA® is a highly automated and very efficient process.

14. HOW DOES EMBRACING THE MCA® TRANSFORM WAYS OF WORKING?

BXG's MCA®-based approach provides, for the first time, a fully cross-channel view of the effectiveness of every element of demand generation spend. At a strategic level, the insight it creates brings a completely new dimension to integrated planning across marketing, sales channels, brands and markets. At a tactical level, it is used by market leaders to shape and manage activation plans, potentially resulting in large shifts in spend allocation across channels and consumer touchpoints. The MCA® is embedded in the marketing planning and execution process and is repeated to assess the impact on consumers of the changes made and identify best practices that can be replicated across brands and markets.

15. WHO ARE BXG'S KEY COMPETITORS?

We serve business leaders who want to do the right things for their organizations, tackling outdated ways of working that lack transparency, objectivity and the measurement systems needed to provide a platform for continuous performance improvement. As such, our real competition is embedded ways of working, analysis paralysis and resistance to change. Our common MCA® Brand Experience points single currency creates an opportunity for marketing leaders and their agency partners to establish the transparency, objectivity and measurement needed to reinforce credibility with business leadership and release the resources needed for brand building and activation. We do not underestimate the disruptive change this implies, including the opportunity for creative and media agencies to embrace the new transparency.

16. WHAT IS INVOLVED IN SUCCESSFUL ADOPTION BY MULTI-NATIONAL BUSINESSES?

If businesses are to reap the benefits of MCA® adoption across markets, then both top-down sponsorship and local market successes are required. The approach varies depending on how centralized versus devolved the operating model of the business is. However, some form of central/local collaboration that results in a compelling Proof of Concept followed by replication of that success across markets and the embedding of the MCA® in ways of working is a common model. As more and more markets adopt the MCA®, above market category and brand leadership benefit from comparative brand performance reporting across markets versus competitors using the single currency.

17. DOES BXG COMPETE WITH TRADITIONAL MANAGEMENT CONSULTANTS?

Embracing the MCA® based approach to overall brand building, demand generation and resource allocation represents a major change program for a business, and one with huge value creation upside. BXG is not a business transformation consultancy and does not want to be. We are delighted to work with leading change leadership and management consulting firms in a way that combines their transformation skills with our consumer engagement and brand experience system and skills to deliver sustained top and bottom-line performance improvement.

18. HOW DOES BRAND EXPERIENCE (BX) RELATE TO CUSTOMER EXPERIENCE (CX)?

More and more businesses are investing in optimizing the Customer Experience (Cx) they provide. Cx describes how well an organization and its brands are engaging with its customers and how that translates into outcomes such as retention, churn and lifetime customer value. Brand Experience (Bx) completes the picture by looking at how all consumers, including competitors' customers, are engaging with the company's brands and competitors' brands and the relative strengths and weaknesses of all of their engagement strategies.

19. IS THE MCA® BASED APPROACH ONLY RELEVANT TO CONSUMER-FACING BUSINESSES?

It is also highly relevant to B2B businesses as well. The opportunities are sometimes even greater, as these businesses are often less advanced at communicating and brand-building. They typically spend on a somewhat different set of contacts versus consumer brands, e.g. industry fairs, sponsorships, POS materials, sales reps, service desks etc. However, ultimately people make most B2B purchasing decisions and experience all of these different touchpoints

in their journeys to masking choices for their businesses. A VoC view is therefore highly relevant. It's also very closely linked to Customer Experience which is a bigger and bigger focus for B2B businesses. What's great about the MCA® is that it measures our Customer Experience and the competition's Customer Experience.

20. HOW DOES THE SINGLE BRAND EXPERIENCE CURRENCY FIT WITH OTHER METRICS SUCH AS NPS, GRPS AND MMM?

The MCA® single Brand Experience currency establishes a clear line of sight between ALL the demand generation activities (the input into the market) and the brand-business results (outcome). The MCA® Brand Experience Currency is the earliest of "early warning indicators" reporting on the effectiveness and efficiency of consumers' engagement. All other brand outcome indicators are a consequence of Brand Experience. In fact, consumers cannot be aware, prefer, consider or buy a brand unless they first experience it.

The MCA® Brand Experience currency is comprehensive. All marketing communications activities are comparably evaluated on their effectiveness and their efficiency (effectiveness per dollar).

The MCA® brings to the picture what MMM needs the most:

- › Time series data measuring response levels to the various media options: BEPs per contact.
- › Time series data to measure response by various targets: BEPs per target.
- › Statistically sound data even for low reach options: Bootstrap for CCF, as an example, show that MCA® can deliver them
- › A cost efficient solution that provides statistically accurate results across all markets.

The MCA® Brand Experience currency provides actionable metrics for each stakeholder in the business, providing performance indicators for business managers (linked with finance) and diagnostic indicators for brand/marketing and sales teams (the reasons-why of performance). The same, simple, fundamental marketing data is available to all marcom, sales decision-makers as well as business leaders.

The MCA® Brand Experience currency is validated, transparent, flexible and fast. It provides simple numbers that are relevant to local, regional and global needs. It provides a level of granularity to suit local needs and capacity to roll up the data to deliver cross-market regional and global performance indicators.

The MCA® Brand Experience currency is universally applicable and comparable in any market, any category including B2B and professional channels. Brand Experience Shares correlate strongly to business results, in fact, BES is more effective than media SOV, NPS or Brand Equity at predicting and driving growth.

21. WHY IS BXG AND THE MCA® RELEVANT IN OUR INCREASINGLY DIGITAL AND BIG DATA-BASED SOCIETY?

In spite of what we might be led to believe, consumers do not only live in the digital world. They feel emotions, fall in love, participate in broad range of experiential events, consume mass media and talk to each other. 'Big data' based analytics, fed by ever greater quantities of digital interaction, location and profiling data can generate powerful, though sometimes flawed insights based on directly observed or inferred digitally connected behaviors. But even allowing for the inherent weaknesses in click-through, social and related data, it's not the whole picture. It doesn't capture what's happening beyond the digital domain and misses how the digital and physical domains interact to shape consumer attitudes, opinions and purchase

behaviors. The MCA® integrates the physical and digital worlds, avoiding analysis paralysis to provide truly actionable insights that reflect every type of human interaction with a brand.

22. HOW ARE BXG AND THE MCA® RELEVANT TO THE BROADER ISSUES OF THE AGE?

The BXG exists, in part, because we understand and measure the power of authentic, purpose-led businesses and brands to change the world on the issues that matter such as environmental sustainability, gender equality, LGBT rights, social inclusion, modern slavery, mental health and veganism. Brands can do this in a way that governments generally cannot. However, consumer engagement on these issues is occasion and touchpoint dependent. When a thirsty man walks into a bar on a hot day is it sustainability or the temperature of the beer that determines choice? It's a trivial but important example.

That's where we help brands make a difference in delivering their key messages across touchpoints in a way that is relevant and engaging. Our ability to capture a holistic view of consumer values brings a unique ability to understand how brands can engage, influence, make a difference and therefore be relevant on the issues that are important to society and each of us individually.

23. DIRECT QUESTION FOR LAWRENCE HUTTER – WHY DID YOU JOIN THE BXG AS CHAIRMAN?

It all started with my leadership role in Alvarez & Marsal's Corporate Transformation practice and the work A&M does to help businesses drive performance improvement and create value. A&M is famous for being totally objective, its only allegiance being to the facts. In tackling opportunities for performance improvement in the back office and operations, A&M is rarely short of those facts. In the critically important area of marketing and sales, consistent insights across channels into what works and what doesn't have however been generally missing. BXG's MCA®-based approach is unique in filling this gap and in providing that fact base in a way that traditional approaches and even 'big data' analytics typically cannot. It doesn't replace these approaches but puts them in broader market context. This is truly transformational, and I couldn't resist the temptation to use my experience to help the talented BXG team drive that transformation agenda and engage with a growing ecosystem of believers in the new single currency and with strategic partners such as A&M to achieve something very special.

BXG TECHNOLOGY AND DATA PLATFORM

24. HOW EASILY DO THE OUTPUTS OF THE MCA® INTEGRATE INTO EXISTING MARKETING AND BROADER CORPORATE BUSINESS INTELLIGENCE ENVIRONMENTS?

MCA® data streams can be exported in a multitude of formats that are compatible with most data visualization & analytics platforms, such as Power BI and Tableau. This is achieved through API's and data pipeline methods to connect and extend data streams to third party systems and platforms.

25. WHAT SAFEGUARDS EXIST TO PROTECT THE SECURITY AND INTEGRITY OF THE MCA® DATA PLATFORM?

BXG has in place formal IT policies and procedures and has designated an Information Security Coordinator for IT Security, whose responsibilities include the identification and classification of all sensitive data that is maintained on BXG's servers to ensure that it is adequately protected. Data Access activities are reviewed and audited on a quarterly basis. BXG also implements a geographic backup and disaster recovery plan, where data is duplicated on a weekly basis in two separate geographical locations, insuring a high level of availability and continuity.

26. IS THE MCA® FULLY COMPLIANT WITH ANY APPLICABLE GDPR OR OTHER APPLICABLE REGULATORY REGIMES?

The MCA® platform does not capture identified individual information and, as such, does not present GDPR related regulatory issues. Where organizations choose to use panels of identified individuals for MCA®-based research then, as a matter of policy, BXG does not retain that individual identity information.



The Brand Experience Group

Learn more about MCA® by visiting us at www.brandexperience-group.com

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