

# HEALTH OF THE AAA MASTERBRAND 2008

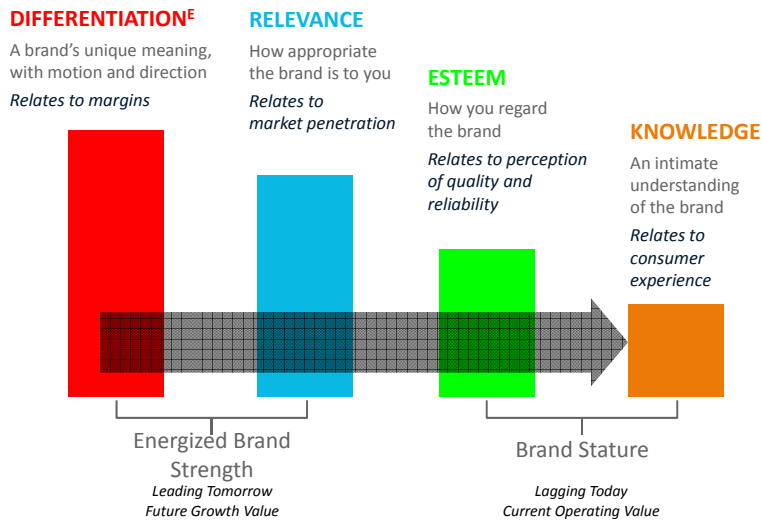
AAA Brand Asset Valuator (BAV)  
October 2009

## 2008 BAV

1. Sample size 5,500. Data collected quarterly throughout 2008
2. Definition of *differentiation* pillar changed. All data rebased to new definition
  - 2007: **Differentiation** is a simple average of 3 attributes:  
*different, distinctive and unique*
  - 2008 **Energized Differentiation** is a simple average of 5 attributes:  
*different, distinctive, unique, dynamic and innovative*
3. Re-contact study (Q4):
  - Membership status: current, lapsed, never
    - Never members likely to join “an auto club” next 12 months; not used in 2008
    - Membership Tenure 1-3 years, 3+ years; not used in 2008
3. Competitive Set (not used in 2008)
  - 57 brands in 8 categories and 20 Key Competitors. Competitive Set reviewed annually (3Q)

## BAV Model:

### 4 Pillars Reflective of Brand Health and Development



Page 3

## The Brand Health Model

### *Energized Differentiation:*

- A brand's unique meaning
- Relates to margins
- How measured?: A simple average of 5 attributes: *different, distinctive, unique, dynamic and innovative*

### *Relevance:*

- How appropriate the brand is to you
- Relates to market penetration
- How measured?: 7 point scale "How relevant is this brand to you personally?"

*Energized Brand Strength is a product of Energized Differentiation and Relevance*

Page 4

## The Brand Health Model

### *Esteem:*

- How the brand is regarded.
- Relates to perception of quality and respect
- How measured?: Combination of 7 point scale “How you think and feel about the brand” and average of 3 attributes: *reliable, high quality and leader*

### *Knowledge:*

- Consumer understanding of the brand. More than awareness or familiarity.
- Relates to consumer experience
- How measured?: 7 point scale “Overall familiarity / awareness of the brand as well as your understanding of what kind of product or service the brand represents”

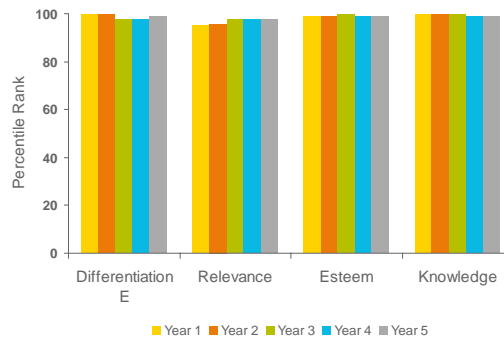
*Brand Stature* is a product of *Esteem* and *Knowledge*

Page 5

## Leadership Brands Maintain Strength



Leading brands maintain a high profile through constant assessment and reinforcement of core brand values.



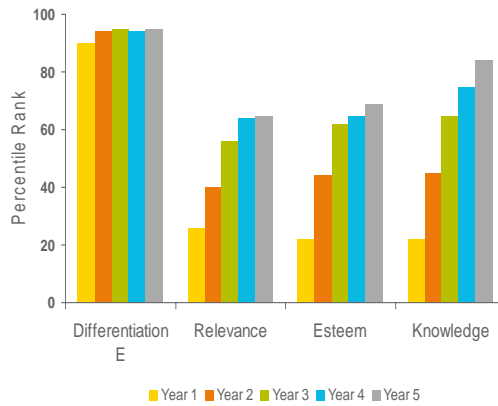
Base: USA Adults

Page 6

## Growing Brands Build Momentum



Growing brands continue to build strength by developing a relevant connection to the consumers life while maintaining their perceived distinctiveness.



Base: USA Adults

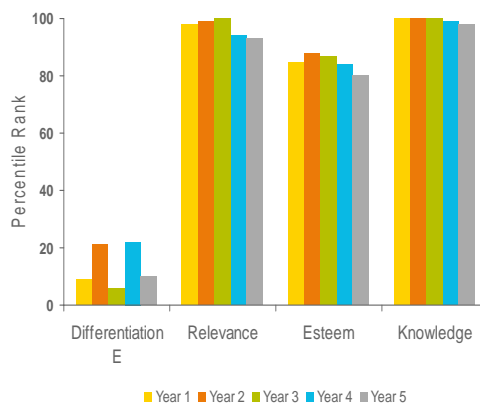
Page 7

## Eroded Brands Lose Differentiation First



Poorly differentiated brands may still have a sizable market presence and high gross sales.

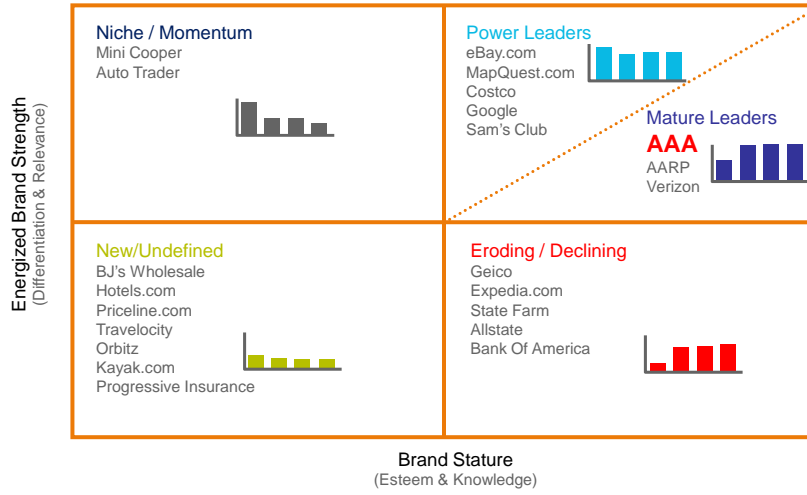
But without a distinct identity, higher margins give way to price competition, hastening the decline of the brand



Base: USA Adults

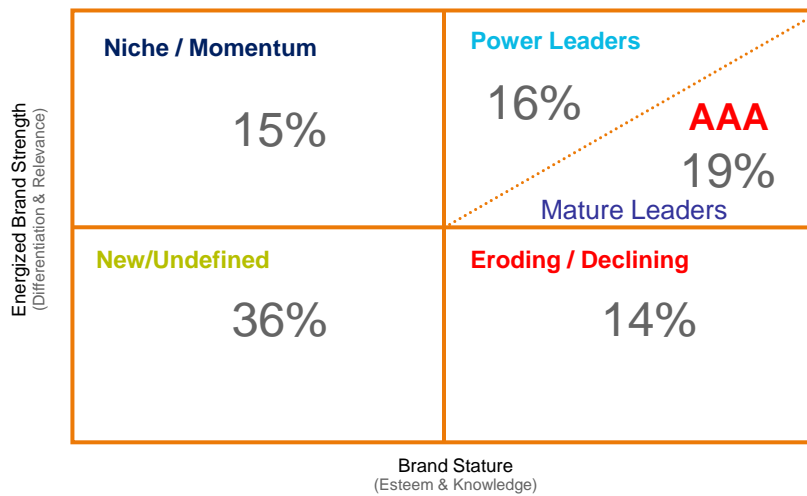
Page 8

# AAA: Mature Leader

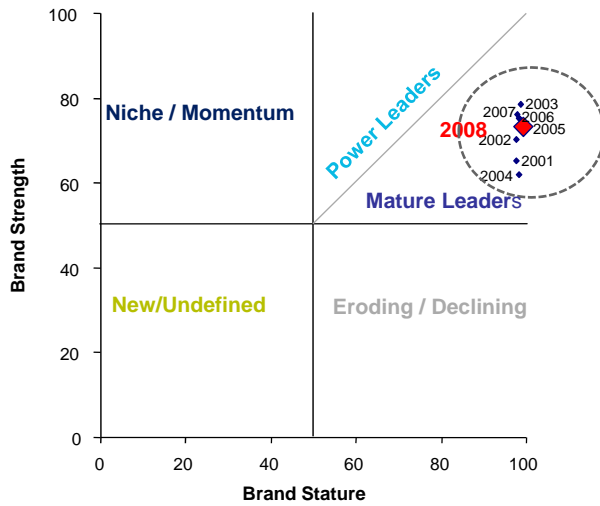


# One in 5 Brands are Mature Leaders

"Brandscape" -- % of US Brands In A Quadrant



AAA Continues To Be A Mature Leader Among All Adults  
 "AAA In Top 4% of All Brands in BAV"



Page 11  
 Base: BAV USA All Adults 2001 to 2008

MS&B Directive: Focus on 17 Attributes

**A Stronger AAA Brand**

Strengthening and sustaining brand perceptions in  
 Differentiation, Relevance, Esteem and Knowledge

