A new way to define and measure brand relationships with young people
The world changed.

We’ve experienced racial justice reckoning around the globe, countless extreme weather events, a pandemic, and one of the worst economic downturns in history. These have caused massive social, cultural, economic, and environmental shifts.

These seismic shifts in the world have changed people’s values, especially the values of young people whose very future is on the line and who will be instrumental in shaping where we go from here. We must look to the future and change with them.

With young people at the heart of everything we do at VICE Media Group, we felt a responsibility to our audience to understand what all these changes mean for how we as brands can help them. This research set out to identify what makes for strong brand relationships today.

What we found solidified a trend we’ve been seeing signs for a while - young people are looking for brands to be their companion. They invite brands into their daily lives by engaging with them on their social media feeds, they seek out brands that match their values, and use brands to help express their identity.
The need for companion brands has accelerated.

The world is in uncharted territory, and hits young people particularly hard as they are becoming independent and entering the prime of their social and professional lives. Young people are looking for someone to be by their side to make sense of and navigate this new world.

Being a companion brand is not about leading or challenging a category. It’s not about having purpose. It’s not about impacting culture. It’s about how you do these things.

There are certain codes of conduct good companions follow. It’s about respecting, supporting and empowering your customers so they can succeed as you do. True leaders understand that there is only so far you can get on your own. The people you surround yourself with are critical in helping you accomplish your goals.

Through our research, we identified the critical codes to being a companion and developed an index to help brands evaluate their current compatibility as a companion to consumers.

Julie Arbit | Global SVP, Insights
The values that young people look for in brands map directly to how VMG approaches our audience and our content every day.

We approach all our storytelling with authenticity, innovation, respect, and inclusion in mind. Our goal is to empower the reader to understand and better navigate life as a young person in today’s world. We are driven by the opportunity to inspire conversations and ideas that could change the way we view each other and our world, and we do it through immersive storytelling with radical empathy for our subjects and audience.

Stephanie Clary | Global VP, VICE Digital Entertainment
We set out to understand how brand relationships have changed

THE AUDIENCE
Survey completes among the general youth population in the U.S. during March 2020.

2,759
50% GEN Z 14-23
50% GEN Y 24-39

47% MALE
50% FEMALE
3% NON BINARY

200
Brands analyzed based on their relationship with young people

14
Categories covered:
- Alcohol
- Automotive
- Beauty
- CPG
- Fashion
- Finance
- Food & Bev
- Home
- Media
- Restaurant
- Retail
- Technology
- Travel
- Wellness

50+
Attributes based on consumer feedback and previous research. We included both standard attributes such as quality and innovation and new attributes like compassion and community.
Using a unique lens, we investigated the relationship dynamics between young consumers and brands.

Young Consumers
Focused specifically on youth - Gen Z & Millennials - who shape the world we live in and impact purchase decisions across generations.

Understanding how these influential young generations perceive brands ensures our learnings will be relevant well into the future and allows brands to make lasting and meaningful changes.

Brands
To measure market success we tapped into social analytics and engagement rather than sales data.

How companies and their consumers interact is a modern indicator of a strong, loyal relationship and the true impact brands have on consumers’ lives.
We dug into previous research we’d conducted, analyzed existing secondary research and gathered additional qualitative inputs from our audience to inform the attributes and brands included in the study.

In an online survey, we asked young people to evaluate brands on their performance on 50+ attributes.

We also collected social media metrics for each brand to understand audience engagement.

Based on consumers’ responses, we created factors that clustered features together. We gave each of these clusters a name, which we’re calling codes.

We then used models to determine predictiveness of a strong brand relationship for each code.

Finally, we scored each of the 200 brands using this formula.
A new way of thinking about a brand’s role in young people's lives

New Codes of Conduct

Using advanced analytics techniques we identified the characteristics that are necessary to develop strong brand relationships today.

A new way of engaging and partnering with consumers which holds true across categories and generations of young consumers.

A Compatibility Index

We created a model that enables us to identify which brands are the best companions for young people today.

Not only do we now have goals to aspire to, we also have a formula brands can use to measure the strength of their relationship with young people and pinpoint weak spots.
NEW CODES OF CONDUCT
Redefining the brand relationship
Repurchase is the ultimate sign that young people are into you

#1

Repurchasing or reusing a brand signifies I am taking the relationship to the next level.
The biggest predictor of repurchase is affinity - young people have to really like you

Level of importance (predictiveness) in the repurchase decision*

Affinity (Most Predictive)
Recommendation
Relevance
Consideration
Momentum
Pride

Say if they love a brand, they are loyal to it

When I want to repurchase or reuse it

74%

*50+ variables were analyzed
Source(s): VICE Voices Spirituality 2018
The Evolving Nature Of Brand Affinity

- be fun or funny
- be a part of culture
- inspire me
- make me feel special
- empower me
- make product/services that are one-of-a-kind
- have an original voice
- entertain me
- fight for what you believe in
- allow me to customize/personalize their offer
- help me express myself
- provide ways to participate with the brand
- preserve through tough times
- challenge me to think different
- spark emotion with me
- stand for social issues
- stand for something bigger than their product or service
- make me feel like part of a community
- tell a clear brand story
- have public facing leadership
- provide ways to experience the brand outside of using the product or service
- be responsive
Affinity today is built on shared human values

Critical Codes of Conduct*

Respect
- Open communication through active listening and honest responses

Support
- Helping make the world a better place through empathy and action

Empower
- Providing the tools for self expression and community building

*True for all categories

The charts on this slide represent the results of a classification model run to determine how important each code (created by attributes) is in predicting brand affinity. The size of the circle demonstrates how important its predictiveness is.

Complementary Codes**

Practical
- Solving basic human needs with access and affordability

Progressive
- Embracing change through diversity and sustainability

Integrity
- Ensuring admirable leadership & decisions

Creative
- Infusing creativity in every facet

Bold
- Having a persona that’s unique and stands out

Relevant
- Fitting the audience’s identity

Engagement
- How often and well social media is used to engage consumers

Experience
- Challenging customers to think and participate

Advocate
- Taking a stand on issues

**Dependent on categories
Brands need to be a companion to young consumers, helping them make sense of and navigate the changing world around them.

**Critical Codes of Conduct**

**Respect**
Open communication through active listening and honest responses

**Support**
Helping make the world a better place through empathy and action

**Empower**
Providing the tools for self expression and community building
CODE 1: RESPECT
Respect between companions is mutual

7 in 10 Say brands can make a more meaningful connection with them by being respectful

“[Brands should focus more on] sustainability, connecting with consumers, honesty and transparency.”
— 26, Female

Attributes of Respect

01 Be trustworthy
02 Be transparent
03 Be innovative
04 Respect my data privacy
05 Listen to consumers
06 Be high quality
Consumers demand to be treated with respect through the products and services brands provide.
Being a companion means total transparency in all aspects of the relationship.

Important to the purchase decision making process:

- Transparency - owning up to their mistakes and expressing changes that might affect me: 93%
- Stance on corporate policies (such as transparency in business practices and data privacy practices): 87%

Source(s): VICE Voices Path to Purchase: 2020
CODE 2: SUPPORT
Companions share values and are always there for each other

6 in 10

Say to love a brand, it needs to be altruistic

“[Brands should focus more on] what they do for good; good for me and good for the world. I don’t want lectures… I want to know why a brand is doing what they do and that they are committed to doing it well.”

— 35, Female

Attributes of Support

01 Persevere through tough times
02 Show compassion
03 Take actions that better society & humanity
04 Give back to the community
05 Spark emotion within me
Young people define themselves by their values; demanding humanity and justice.

Values are important now, and critical in the future:

1. Values are the second most important aspect in defining their personal identity today.

2. In 10 years, their values will rise to the most important aspect in defining their personal identity.

Source(s): VICE Voices 2030 Project - Identity 2019, VICE Voices Spirituality 2018
Doing good and supporting the causes young people care about has an undeniable impact on purchase

88%
Say brands that take actions that better society and humanity is important in their purchase decision

77%
Look for brands that align with their values

67%
Say they would purchase from a brand that supports social causes they believe in

Source(s): VICE Voices Path to Purchase: 2020; VICE Voices Spirituality: 2018
CODE 3: EMPOWER
The best companions empower you to be you

1 in 2

Say brands can make a more meaningful connection with them through empowerment

“I really like supporting [brands who] put body positivity at the forefront of their marketing and make it so that girls don't feel uncomfortable shopping for undergarments.”

— 18, Female

Attributes of Empower

01. Empower me
02. Inspire me
03. Make me feel like part of a community
04. Make me feel special
05. Help me to express myself
Self expression is key to young people’s happiness

Believe they need more self expression to live a happy, healthy life

7 in 10

Feel we need more support to feel comfortable in expressing our personal identities by 2030

97%

Source(s): VICE Voices - Health & Wellness, 2017; VICE Voices 2030 Project - Identity, 2020
Identity today is fluid and complex

Based on who not what you are:

How I express myself today:
01 Thoughts & opinions
02 The people I surround myself with
03 My attitude

Binaries rejected:
1 in 2
Gen Z define themselves as something other than heterosexual

41%
Gen Z describe their gender traits as neither masculine nor feminine

Growing more complex:
63%
Say that in 10 years, identity expression will be even more complex

Source(s): VICE Voices 2030 Project - Identity 2019; VICE Voices Privacy & Identity - 2018
Youth are looking to brands to help them express their unique identities

- 84% say they like brands that make them feel good about themselves
- 68% say brands help them express their identity
- 53% use brands to stand out from others

Source(s): VICE Voices Spirituality 2018
These codes of conduct create a new set of attributes for brands to measure themselves against.

**Respect**
- Be trustworthy
- Be transparent
- Be innovative
- Respect my data privacy
- Listen to consumers
- Be high quality

**Support**
- Persevere through tough times
- Show compassion
- Take actions that better society
- Give back to the community
- Spark emotion within me

**Empower**
- Empower me
- Inspire me
- Make me feel like part of a community
- Make me feel special
- Help me to express myself
THE COMPATIBILITY INDEX
A Compatibility Index to identify which brands are the best companions to young consumers today

While we know the Codes of Conduct that need to be followed to be a companion today, some brands make better companions than others.

VICE Media Group’s Compatibility Index is a unique measurement solution that enables brands to understand how well they connect with young people - to measure how compatible they are as companions.

Delving into the specific attributes in the Codes of Conduct allow us to pinpoint areas in which brands excel and where they could improve.

Scores were normalized to create an index relative to all brands.

>120 the relationship with young consumers is strong

< 80 the relationship needs work

Bottom 0 — 100 — 201 Top

Reading The Scale

>120 the relationship with young consumers is strong

< 80 the relationship needs work
In this study we measured the companion compatibility of 200 brands

We couldn’t just make one best-of list... so we made four:

**Companion Brands Top 10**

The best of the best across categories, giving us all a companion to aspire to

**Longtime Companions**

Brands that have been around since before most of our respondents were born and continue to prove their companionship again and again

**New Companions**

Brands that have come onto the market in just the last couple of years and have established their compatibility with consumers almost immediately

**Category Companions**

The most compatible companion in each of 14 categories
COMPANION BRAND TOP 10

The most compatible companion brands for young people today
**Top Companion Brands**
Most compatible companions for young people today.

**TOP 10**
**Overall Ranking** Out of 200

<table>
<thead>
<tr>
<th>Rank</th>
<th>Brand</th>
<th>Compatibility Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>NIKE</td>
<td>201</td>
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<tr>
<td>02</td>
<td>NETFLIX</td>
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<td>GOOGLE</td>
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<td>YOUTUBE</td>
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<td>BILLIE</td>
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<td>08</td>
<td>HERSHEY’S</td>
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<td>SPOTIFY</td>
<td>166</td>
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<tr>
<td>10</td>
<td>LOLA</td>
<td>164</td>
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Case Study: Nike

COMPANIONSHIP IN ACTION

Nike has made a history of empowering their customers, and consumers in general.

Starting with their “Just Do It” tagline, they have built a reputation of inspiration over the years.

Recently Nike has taken a bigger step for society by following through on their tagline and empowering people. Their Colin Kaepernick ad inspired consumers to believe in something, and they took the lead in the racial injustice protests of 2020 by telling consumers “For once, Don’t Do it”, stop being complicit in racism.

Nike didn’t just talk, they acted. Most recently they pledged to donate $40m over four years to social justice programs that support Black Lives Matter.
NEW COMPANIONS

Recently launched brands that quickly proved their ability to be good companions
### Top New Companions

Most compatible recently launched companions for young people today.

#### Top 10

<table>
<thead>
<tr>
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<tr>
<td>172</td>
<td>BILLIE</td>
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<tr>
<td>164</td>
<td>LOLA</td>
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<td>WEEDMAPS</td>
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<td>159</td>
<td>BETTERMENT</td>
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<td>RENT THE RUNWAY</td>
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<td>SNAPCHAT</td>
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<td>148</td>
<td>FENTY BEAUTY</td>
</tr>
<tr>
<td>137</td>
<td>PARACHUTE</td>
</tr>
</tbody>
</table>
Case Study: Billie

Billie is a new razor start-up and they have hit the right tone with their audience, providing inspiring and empowering messaging from the start.

Billie has been a constant champion of inclusivity, starting with their Project Body Hair campaign that debuted female body hair on an ad for the first time. Recently, they unveiled a campaign for women to stop apologizing for how they look on Zoom calls, being both present and empowering in a time when many need it.

Billie's products also help support the world. They are vegan, gluten and cruelty-free.
Longtime Companions

Brands that consistently put in the work and adopt to the changing needs of consumers over time.
Top Longtime Companions
Most compatible established companions for young people today.

TOP 10
Overall Ranking Out of 200

04 OREO 182
08 HERSHEY’S 169
18 COCA COLA 151
19 NAT GEO 150
20 TARGET 149
25 DISNEY 146
26 COLGATE 144
27 ADIDAS 143
30 LEGO 140
33 DOVE 138
Case Study: Oreo

Oreo has been around since 1912 and they haven’t stopped innovating and empowering those around them. They constantly come out with new flavors and new forms of their classic cookie, including their most recent campaign with Supreme, to help consumers express themselves.

Oreo doesn’t rest on their laurels or delicious cookies, they actively support the world around them. During the Covid-19 pandemic, Oreo created a global strategy urging consumers to stay home and provided recipes and activities to entertain them.
CATEGORY COMPANIONS

The most compatible brands by category
# Top Category Companions

The most compatible brands in each category.

<table>
<thead>
<tr>
<th>Food &amp; Beverage</th>
<th>Auto</th>
<th>Restaurant</th>
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<tbody>
<tr>
<td>OREO</td>
<td>TESLA</td>
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SO HOW DOES A BRAND REACH COMPANION STATUS?
Brands must embrace human values to be a compatible companion for young people.

It’s not what you do, but how you do it, that gets consumers to continually engage with your brand.
THANK YOU