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Brand audit: Argos

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Argos managing director John Walden has led the company towards its first sales rise in five years and its digitally focused strategy is starting to positively impact on perceptions of the brand.



Last week, the retailer reported [like for like sales grew 2.1 per cent](#) in the year to 2 March, while total sales grew 1.5 per cent to £3.93bn. Since joining the company, Walden has sought to position its as a “digital retail leader”.

In late October he [outlined a five-year strategy to increase the digital](#) share of the retailer’s overall marketing budget, improve its CRM targeting and also broaden its product range in order to attract more affluent audiences.

It also included plans to close, or at least move, 75 retail outlets as well as the axing of its iconic printed catalogues.

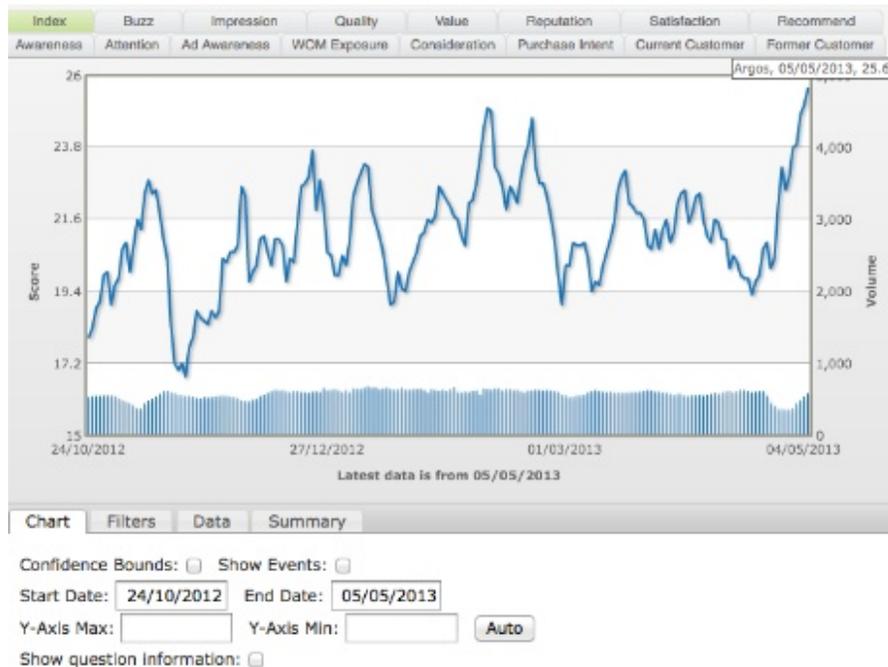
While these measures make sense in business, the immediate effect on brand impact was severe according to YouGov’s BrandIndex figures.

The brands’ overall Index rating, which takes into account consumer ratings of the brand in terms of impression, quality, value, reputation, satisfaction and if they would recommend it, plummeted to hit 19.6 as of 26 November, its lowest rank during the period).

However, this has since recovered 25.6 – a record high for the brand according to the latest figures (5 May). See graph 1.

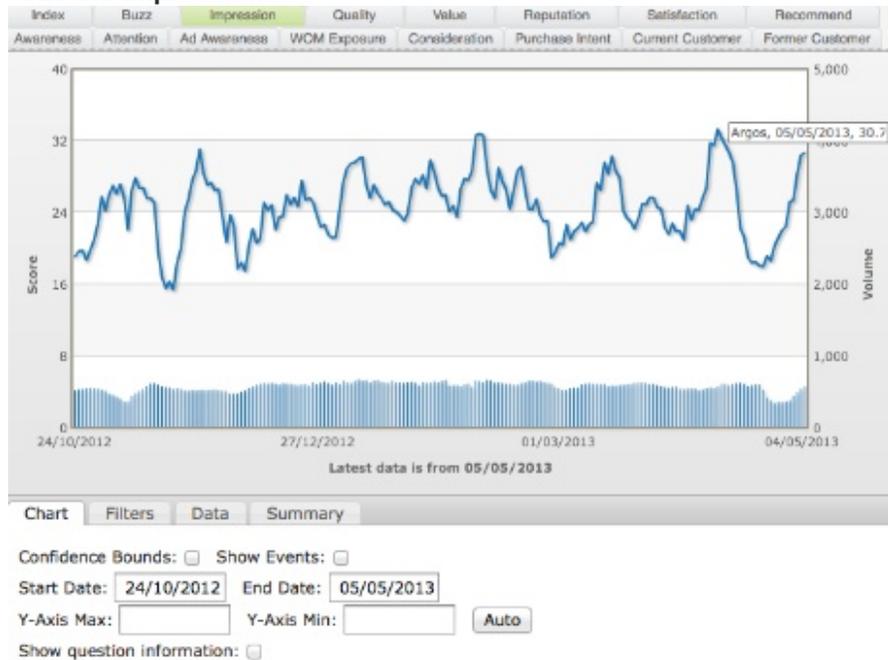
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Graph 1: Argos: BrandIndex



Similarly, Argos' brand impression has risen since the announcement of the strategy, rising to 30.7 according to YouGov's metrics on 5 May (see graph 2).

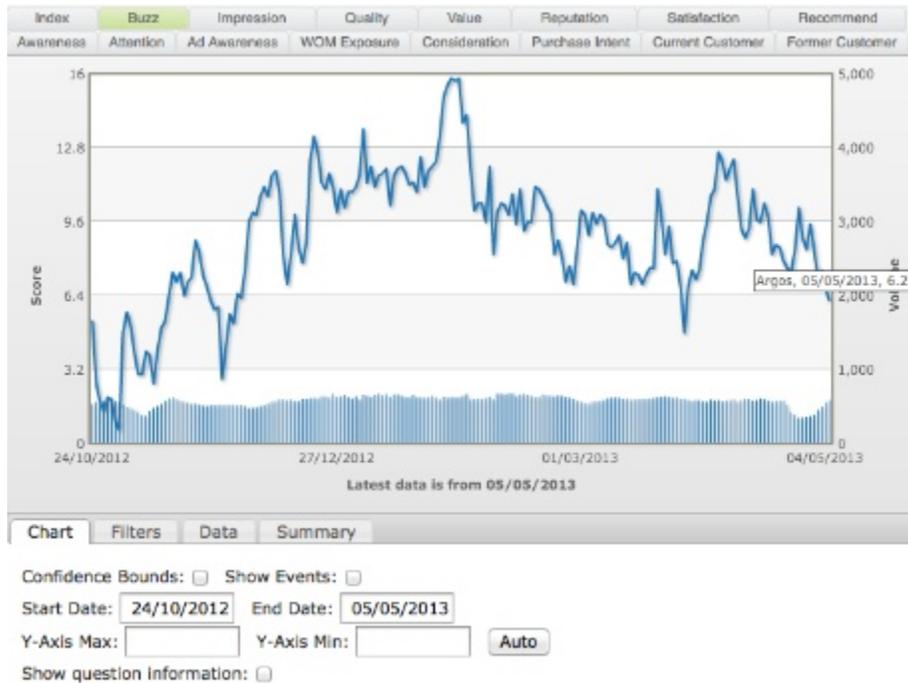
Graph 2: Argos: Brand Impression



Argos' Buzz Score – a net balance of the positive and negative things people have heard about a brand – is also marginally above its October levels according to the its 5 May figures. See graph 3.

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Graph 3: Argos: Brand Buzz



However, in a sign that Walden's efforts to raise Argos' appeal to more affluent audiences is succeeding, its Brand Impression score sat at 17.8 as of 5 May – a stark contrast to the 4.8 it scored on the day it announced its digital overhaul (24 October 2012).

Argos: Brand Quality



(All graphs from YouGov)

Link: www.marketingweek.co.uk/news/brand-audit-argos/4006575.article