



**KANTAR**

**DISTINCTIVENESS ONLY GETS YOU HALFWAY**

What we can ALL learn about branding from Liquid Death.

OCTOBER 2024

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# Executive Summary

Everyone in marketing has been talking about Liquid Death over the last 12 months. It's hard to get through a LinkedIn scrolling session or conference event without it coming up in some way. There are probably several reasons for this, but chief among them are:

1. LinkedIn and marketing conferences require a bit of 'infotainment' to keep us engaged, and Liquid Death is undeniably an entertaining brand.
2. It is a branding case study that almost completely controls for the variable of 'product'. It's just water! There's not a lot of differentiation there, and so what we are left with are the intangibles of brand positioning.

But is there anything to learn for brands that are already established, or a bit more mundane? I'm here to point out that there is. And there is more to it than only brand distinctiveness. There will be no argument made for either-or choices here, what this article hopes to point you to is this **and** that. Aim for both, grow your brand. Read on!

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It's official! Liquid Death, the darling of marketing pundits around the world in 2024, has finally hit [Australian shelves at Woolworths.](#)

Now you might be wondering, do we need another commentator chiming in with an opinion on Liquid Death? And indeed, it might seem there's not too much more to say. There have been plenty of casual and formal observers on LinkedIn, on conference stages, and in the marketing press admiring how 'water-in-a-can' could make as much impact or as much money as Liquid Death has. Maybe this title in Forbes sums it up best:

[Liquid Death's Billion-Dollar Valuation Stresses The Power Of Brand](#)

But, given that it *is* so top of mind, and that it's so illustrative of the power an amorphous thing like 'brand' can have in the quest for financial return, I figured I could seize this moment to help people see what I can see. To help illustrate a broader principle that marketers can apply to their own (less exciting) brands. And better yet, to take the opportunity to substantiate all this with a much, *much*, larger body of evidence than a sample of one (Liquid Death, on its own, of course 'proves' nothing).

In sum, my point will be this:

- Liquid Death is both Distinctive AND Different, and these two things are **not** the same.

And some important follow-up points:

- The distinction between these two concepts sounds trivial, but to a marketer this really is important (if you want your brand to make money)
- You should be greedy and aim for both.

Let's start with a couple of questions that Kantar would routinely ask respondents in a brand perceptions survey.

Take a look at this selection of water brands and order them from right to left on these two scales.

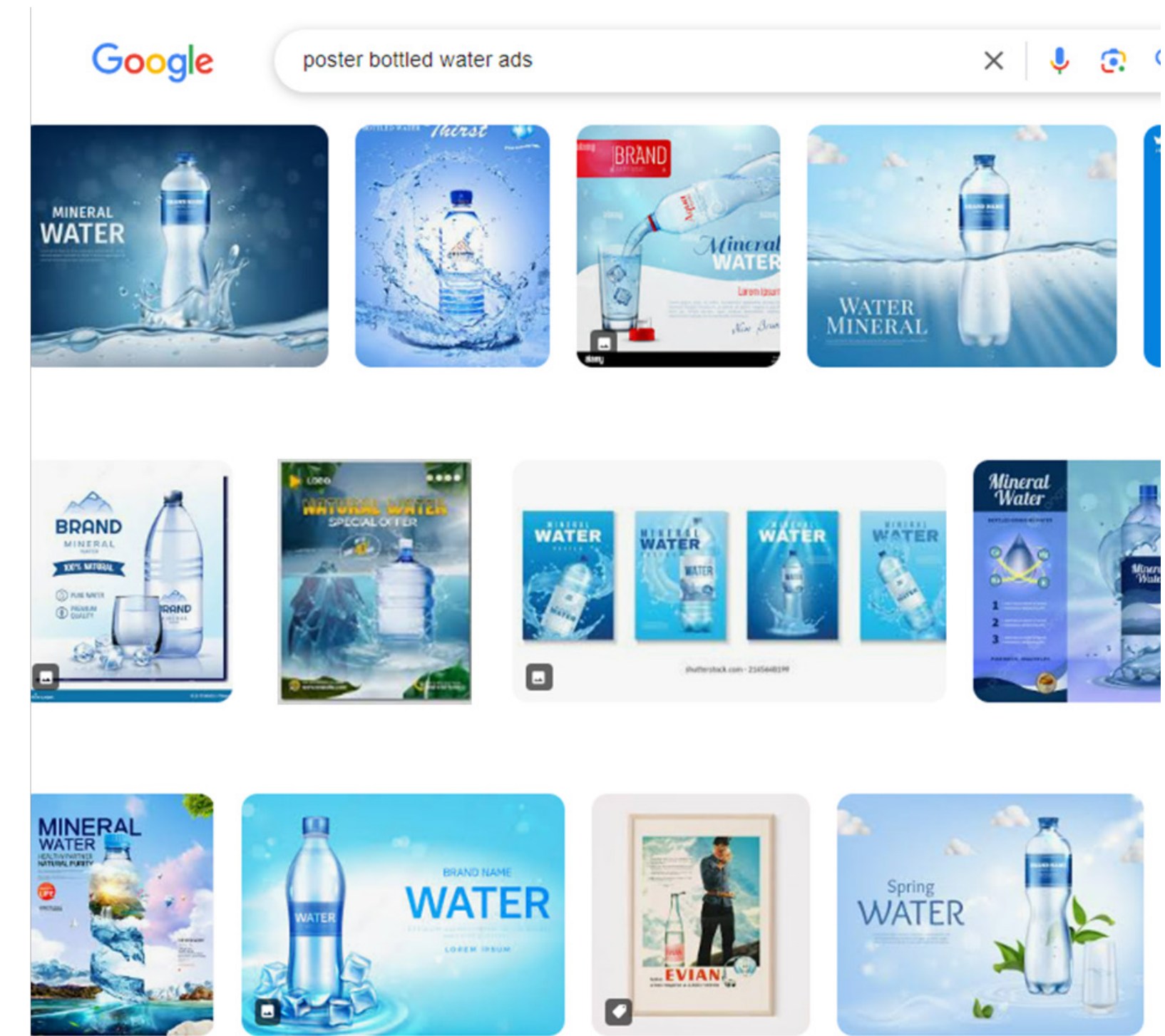
Drag each brand on to the scale to indicate how different it seems to other water brands.

1	2	3	4	5	6	7
Exactly the same						Very different

Drag each of the water brands on to the scale to indicate how much it sets trends.

'Set trends' means brands that lead the way in the water category. This could be by having new and different ideas or new and different products.

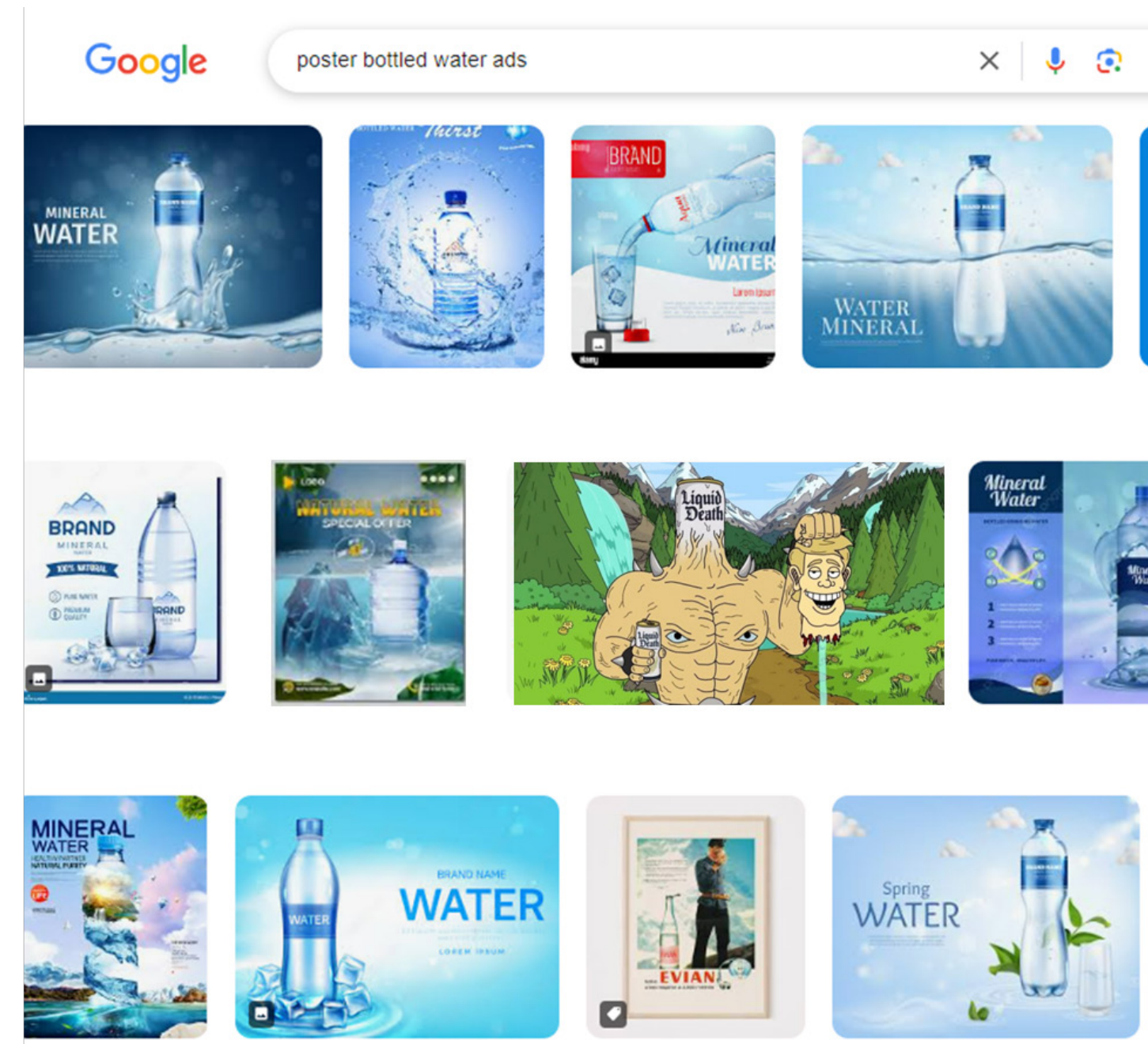
1	2	3	4	5	6	7
Follows others						Sets the trends



Source: Google Images, accessed 30 September 2024

Not much to separate any of them I'm guessing. These brands will all bunch in the lower-middle part of the scale on page 6.

But... what if we now add 'this' additional brand to the category?



That's right. **Relative** to everything else, **Liquid Death** is clearly going to be the furthest to the right on these two scales on page 6 for pretty much anyone I care to ask. Now, here are two very important **facts** about the data we get from these questions. If a brand is furthest to the right, relative to alternatives, it:

1. has better prospects for future growth
2. can charge a **relatively** higher price (i.e. it is more price inelastic).

This may be an opinion article, but the above two points are not my opinion. It has been proven by Kantar countless times, in countless ways, with very large datasets. For those interested in seeing some of that evidence check out the links on page 15 of this booklet.

**Those two survey questions are how Kantar measures 'Perceived Relative Differentiation'.**

You'll note here that we are NOT asking consumers to give us an objective assessment of any particular product feature or asking them to rationalise how they make their brand choice. It's a much more general impression we are capturing. So, to infer what might be driving that impression, we need both more data (brand-image associations), and some statistical modelling. Fortunately, through our BrandZ survey, Kantar has that too\*, and so can reveal that the variables that drive a 'Perceived Relative Difference' cluster themselves into four over-arching themes.

We examined 11,000 brand cases and found four leading strategies among many ways that brands can design for difference:

<p><b>LEADERSHIP</b></p>	<p><b>DISTINCTIVENESS</b></p>	<p><b>EMOTIVE CLARITY</b></p>	<p><b>FUNCTIONAL BENEFITS</b></p>
<p>Setting the trends and challenging the status quo, like TikTok.</p>	<p>A highly distinctive look and feel, and a suite of brand assets to reinforce it, like Louis Vuitton.</p>	<p>Building clear, consistent and strong connection to emotive needs, permeating every touchpoint, like Disney.</p>	<p>Superior qualities that set them apart from others, like Doritos.</p>

\*Many brands have their own datasets to mine of course, and thus might find other dimensions of perceived relative difference for their own brands/categories

You can see, for example, how Tesla is a brand that pretty much ticks all these boxes:

- It is a thought-leader in its category, challenging the status quo.
- The cars themselves have a distinctive and recognisable look on the road.
- The brand has an emotive persona that feels like a progressive kind of new-world status

And (obviously)

- Functionally, Tesla cars have a verifiably different offering under the hood.



Tesla's functional advantage is now rapidly being eroded, as is so often the case with functional advantages – if consumers value such features, then competitors will replicate them. But those other dimensions of differentiation are not something that a Tesla competitor would want to copy as is (or else their marketing efforts would be misattributed to their key rival). So, competitors will need to establish (or leverage) their own intangible brand assets to help drive a perceived relative difference, in their own tone of voice.

It's also important to note that for a consumer to place it at the right-hand of our answer scales, it's not necessary for a brand to achieve all of these elements of differentiation. But doing one doesn't mean you can't do another; so, by all means, the more the merrier!

### But back to Liquid Death...

Clearly Liquid Death is 'distinctive', relative to everything else in the water fridge. But it absolutely is possible to be distinctive without being different. For me, this point was best illustrated by ANZ Bank's former CMO Sweta Mehra when she commented on some research that the bank did into its brand back in 2021\*:

"it was...obvious the only thing customers saw ANZ as was as the blue bank – it's how they differentiated us versus our peers... As a result, when something bad happened with one bank, it was assumed it was true across all banks."

What Mehra was observing was that although the ANZ brand was distinctively blue (compared to the reds and yellows of the competition), the brand was not actually differentiated in the consumers' mind. It lacked those other three components of differentiation. There was nothing to drive growth beyond fair share or nudge a customer to overcome any hurdles (price, time) to select ANZ over alternatives. Simply being 'blue' does not give the brand much advantage – it does not predispose a consumer to buy it or pay more for it.



### This is not the case for Liquid Death.

Being 'black' in a sea of light blue is seemingly prompting consumers to choose it over alternatives – even at a higher price – and the brand is growing beyond its fair share. Yes, there is more going on here.

- **Category Leadership:** clearly Liquid Death is the thought-leader, shaking things up, and it's even got a fit-for-2020's sustainability mission (cans being much more likely to be recycled than plastic bottles)
- **Emotive Clarity:** this is hard to define, but I'll bet that it's somehow intuitive to you that where ANZ lacks emotion, Liquid Death has something going on with its emotive positioning.

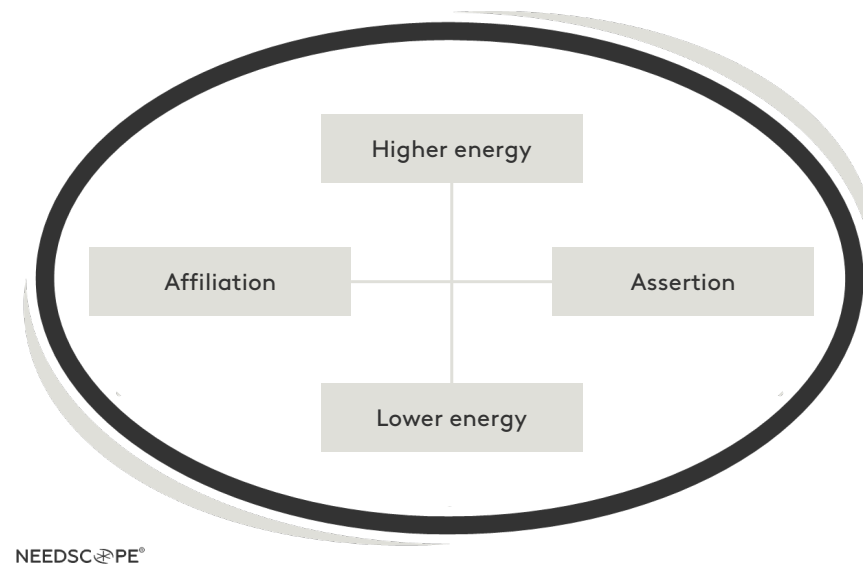
\*Source: N. Cameron, How ANZ's CMO has brought financial wellbeing brand purpose to life, CMO, 12 May 2021.

## How to recognise 'Emotive Clarity'

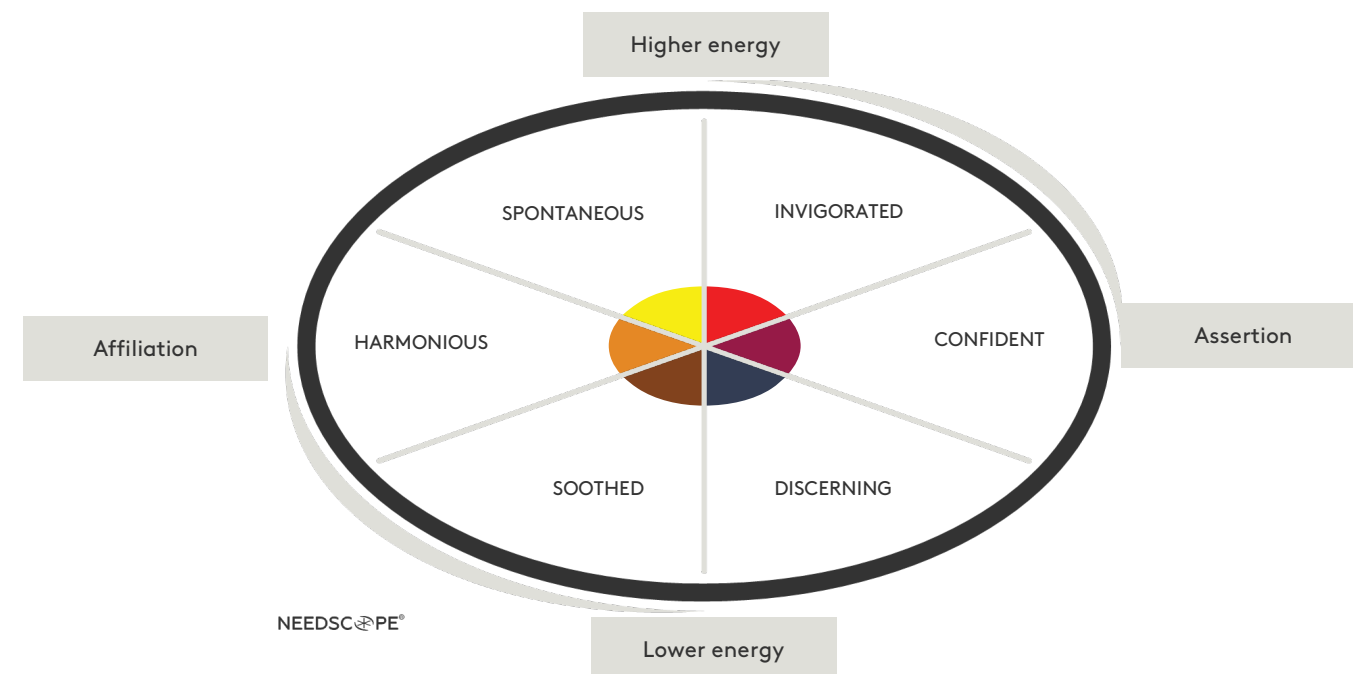
Let me take the vagueness and intuition out of 'Emotive Clarity' and bring into full view. Let's transform it into something that we can see, maybe even create, and most definitely measure. For this, I'll lean on Kantar's NeedScope® tool – a perceptual map of emotive positioning with fixed coordinates.

While the coordinates are fixed, what each pole really represents can be nuanced by category (for example power versus responsibility in financial services). For our purposes here, let's consider how this map of emotion might play out in the beverages world that Liquid Death operates in.

## Broad Map of Emotion



## Emotive Positioning Territories in Beverages



## So here is where pretty much everything in the water category currently sits.

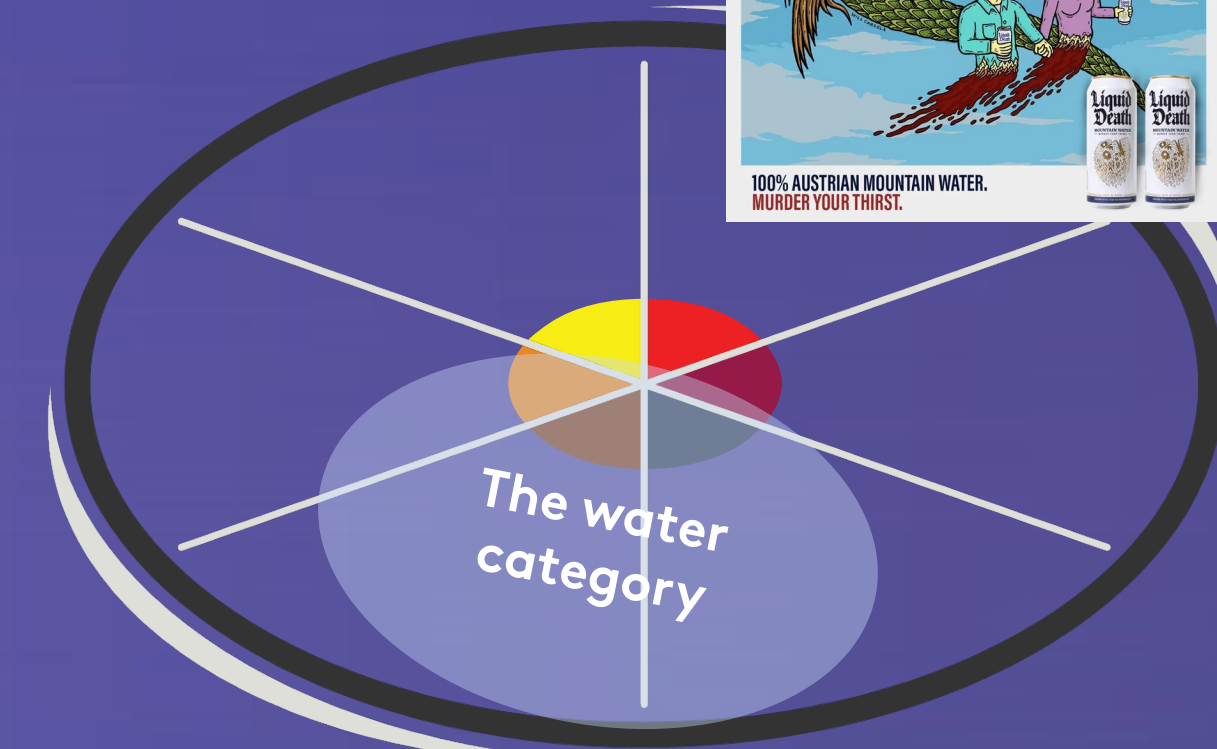
A red ocean of emotively similar brands playing on codes of nature, cleanliness, purity and serenity.

And then here comes Liquid Death – the exact opposite. Borrowing all its codes from the death metal music genre, the least serene thing that anyone could possibly imagine. Whereas ANZ might have sat in the middle of this map for banking, not really implying any emotive positioning; Liquid Death is right on the edge.



INVIGORATED  
Alternative  
Independent  
Standing out

SOOTHED  
Calm  
Peaceful  
Content



**Now, what if I was to launch a new death metal band...?**

If I called the band 'Liquid Death' and used all the same brand assets as the Liquid Death water brand, it would bring with it the same emotive clarity, and the same daring and hardcore edginess. BUT it would look the same as every other band in the death metal category. It wouldn't be distinctive at all – lost in a sea of darkness and spiderwebs.

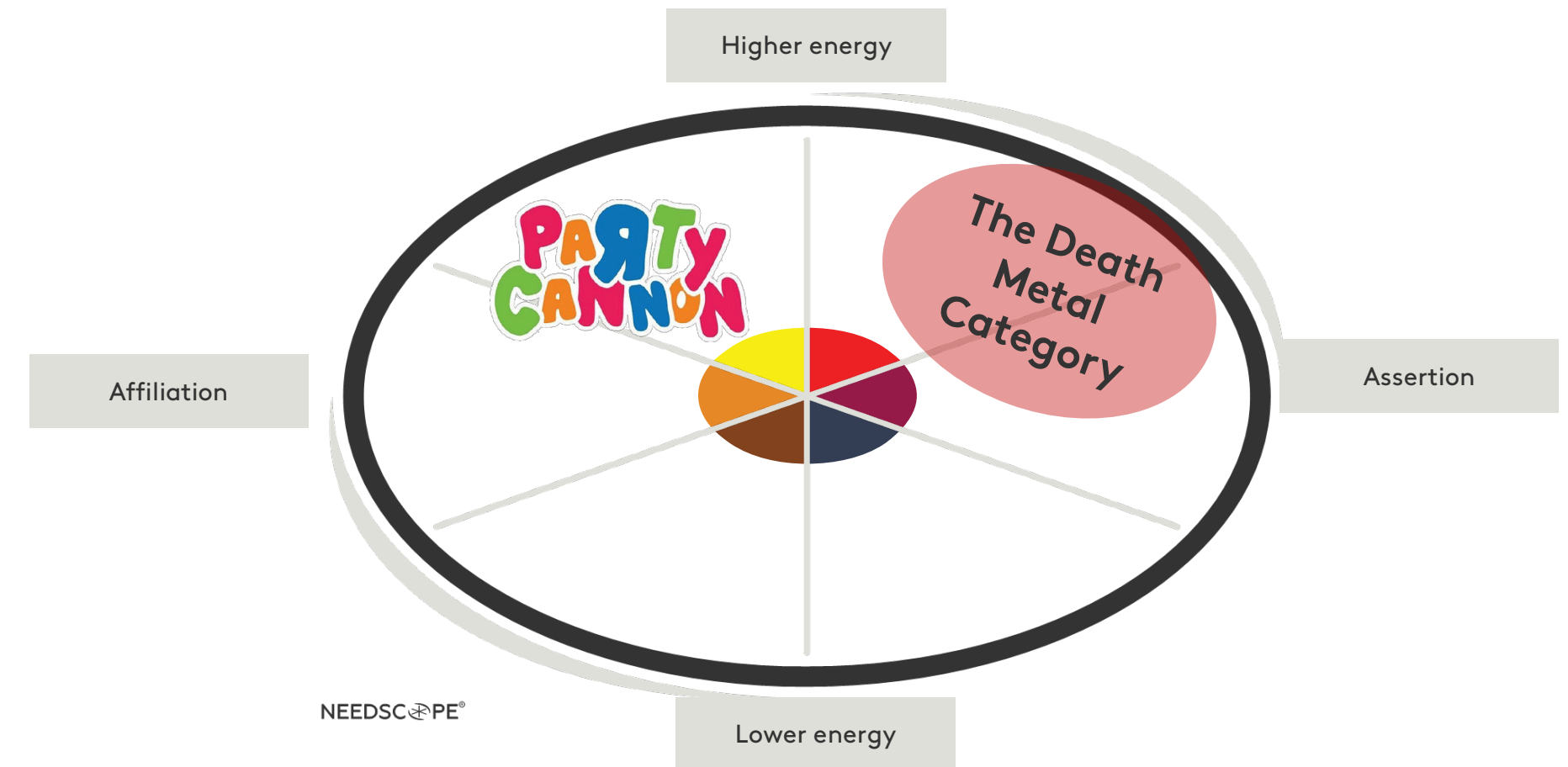
So, tell me, which of these death metal bands appearing at the Bay Area Deathfest 2 looks most different to you? Which might you be likely to say "hey, let's check these guys out" when you turn up there pumped up and ready to rock?



Source: [Why everyone loves this death metal poster, indy100.com](https://www.indy100.com), accessed 2 October 2024.

**Again, the NeedScope® map helps us to see what's going on here.**

You've got all the competition looking the same as each other in an emotive red ocean, and then you have something else come along that seizes your attention and the initiative by finding an alternate way to express itself.



**This kind of thing happens all the time.**

You have all the vodka brands and variants all saying 'fun party' and then Grey Goose comes along and does something more elegant and discerning. Or, in the reverse direction, all the wine brands jostle to be the most elegant and discerning and then [yellow tail] comes along and shakes things up with a little light-hearted playfulness. A different way to be that produces a better financial return than mimicking the existing category leaders. To be sure, the new entrant will probably never get as big as the existing alpha-brand – the one that created the category codes to begin with. BUT it has much better prospects of growth at a profitable price point if it manages to carve out its own fresh territory with a touch of originality – if it shows leadership, expresses itself with emotive clarity, and aims to be distinctive. Then, like Liquid Death and many other brands before it, such a brand may reap the financial rewards of a 'Perceived Relative Difference'.



Brands with 'emotive clarity' enjoy **1.5x stronger** perceived difference

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# KANTAR

## BRAND STRATEGY UNPACKED

Grow brands through consistent  
Meaningful Difference

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Brand Strategy  
Brand Strategy  
Brand Strategy

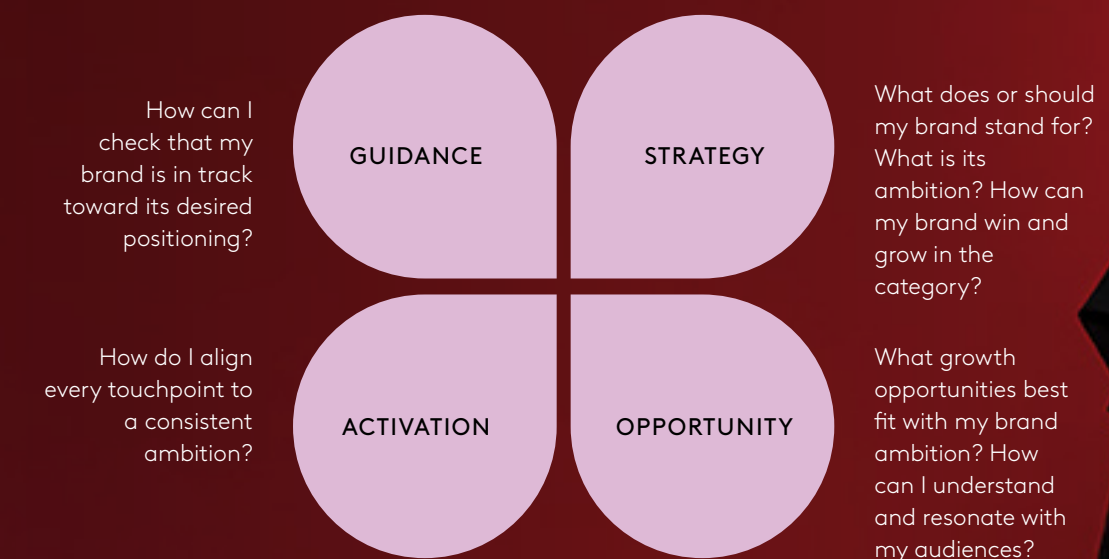
### HARNESS THE POWER OF EMOTIVE CLARITY

How can marketers create differentiation in a way that is authentic, and relevant to consumers? Functional product differences can help, but are often not possible, not sustainable, or not understood.

'Emotive clarity' however, can be more enduring, and brands that have it enjoy 1.5x stronger perceived difference.

Experience a partnership delivering insights that build  
Meaningfully Different brands.

NeedScope helps businesses create and sustain emotive clarity – consistent over time and connected across siloes.



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Kantar is the world's leading marketing data and analytics business and an indispensable brand partner to the world's top companies, including 96 of the world's 100 biggest advertisers. We combine the most meaningful attitudinal and behavioural data with deep expertise and technology platforms to track how people think and act. We help clients develop the marketing strategies that shape their future and deliver sustainable growth.

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