

Brand Loyalty No Longer Means Exclusivity

Today's abundance of choice has brought about a significant paradigm shift in consumer loyalty. In the past consumers were loyal to brands, today consumers expect, if not, demand that brands be "loyal" to them. Layer on curators (i.e. Amazon) acting as filters or guarantors of brands and what we have is a 'New Loyalty' model as unveiled in Wavemaker & BuzzFeed's joint research study titled "Flipping the Switch on Brand Loyalty".



3000
US CONSUMERS



QUALITATIVE
+ QUANTITATIVE



7
CATEGORIES



CONSUMER
PURCHASE
BEHAVIOR



The study illuminates a critical and often misunderstood part of the purchase journey that we've been studying at Wavemaker. The Priming Stage, also known as everyday life, is where consumers are formulating their opinion of brands or 'biases' and identifying those which best reflect their values.

Karima Zmerli, Ph.D., Chief Data Sciences Officer

Here's what we uncovered:

Polyamory Is the New Normal – Most Consumers Are Loyal to a Consideration Set of Brands

Brand choice is rarely exclusive; consumer's most often select from a small set of brands.

90%

BELIEVE THEY
HAVE MORE CHOICE

72%

CONSIDER
2-4 BRANDS

86%

ARE OPEN TO
SWITCHING BRANDS

22%

START FROM
SCRATCH EVERY TIME

Consumers Expect Brands to Reflect Who They Are

Consumers no longer look to brands for direction and authority but rather to cater to them; they want to know that a brand serves the brand of me. Consumers are most likely to stick to brands if:

42%

BADGE-WORTHY

39%

CHARITABLE

38%

SOCIALLY RESPONSIBLE

Consumers Look to Digital Platforms to Curate Relevant Experiences

The Digital Age has empowered consumers to filter down to products / brands they want to see and consider; yet their need for simplicity has given rise to a heightened expectation of relevancy.



86%

BELIEVE BUYING ONLINE
HAS MADE THEIR
LIVES BETTER



71%

LIKE IT WHEN ONLINE
RETAILERS CURATE WHAT
THEY SHOULD BUY



66%

HAVE SWITCHED BRANDS
AFTER SOMETHING THEY
SAW ON AMAZON



61%

OFTEN PURCHASE AN
AMAZON RECOMMENDED
BRAND INSTEAD



Loyalty to brands still exists but the key drivers for how consumers choose brands has drastically changed. Ultimately, for a brand to grow and capture new customers, they must remain continuously relevant and do so in the face of increased expectations of personalization and customization.

Ashmeed Ali, Senior Director, Research at BuzzFeed

What this means for brands

Gone are the days of simply touting product attributes. Today's brand narrative must transcend the product and reflect what matters to consumers. It's no longer simply about how the product performs, but rather how the product fits, and in many ways, enhances their lives. Consumers are now asking – does the brand include me, love me, and will it evolve over time to meet my needs?

Below are simple practices that marketers can adopt to drive better outcomes and ensure healthy growth of consumers.

- Always be in conquering mode, identifying the best audience opportunities on an ongoing vs. annual cadence
- Use data thoughtfully to find audiences who are most likely to convert in the channels where it resonates most
- Drive synergy between media and message to create more personalized connections and value-based experiences
- Develop personalized post-purchase communication strategies to improve bias across the purchase journey

For more information on this study or to explore ways to leverage audience and communications insights to retain and grow your customers, contact us: Lindsey.Yoselevitz@wmglobal.com.