Brand loyalty: How to build powerful relationships that will live and last

Category: Branding
written by Steve Harvey | 30 June 2017

In simple terms, brand loyalty is a pattern of consumer behaviour, identified by customers who are devoted to their favourite brands. Rather than making purchases based on how they feel that day, or who might be offering the best prices, brand-loyal customers stick to the same brand time after time, consistently supporting their favourite companies.

It's easy enough to see the benefits of brand loyalty. Achieving your own brand loyalty definition means ending up with customers that purchase more often, upgrade your sales, and even act as advocates for your brand. Since 80% of your future revenue as a company will come from 20% of your current customers, it makes sense to devote both time, and effort to the brand loyalty theory.

In a competitive, and often overflowing marketplace, brands need to learn how they can maintain meaningful engagement with their key customers, and manage audience expectations. After all, while great marketing campaigns and new brand awareness strategies can go a long way, maintaining your loyal customers is one of the most profitable things any company can do.

When you've learned what matters to your target audience, and answered the question "what is brand loyalty in marketing?" you can design a strategy that focuses on building relationships, creating a strong, stable plan for brand growth. Here, we're going to show you the steps you need to achieve true deeper customer relationships, so you can discover the power of brand loyalty for yourself.

What is brand loyalty? What does it mean for you?

Want a brand that outshines your competition? Then a customer connection is key. But, what is brand loyalty?

Your brand is everything. The heart and soul of your company. It's what people think about when they see your logo, what they feel when they hear your brand name, and what they consider when they decide to buy your product, over someone else's.

A lot of companies spend most of their resources on acquiring new customers and creating demand for their product or services, but as competition continues to grow, a strong USP and a great price point might not be enough to keep the customers coming. Instead, you need to appeal to the emotional side of your audience.

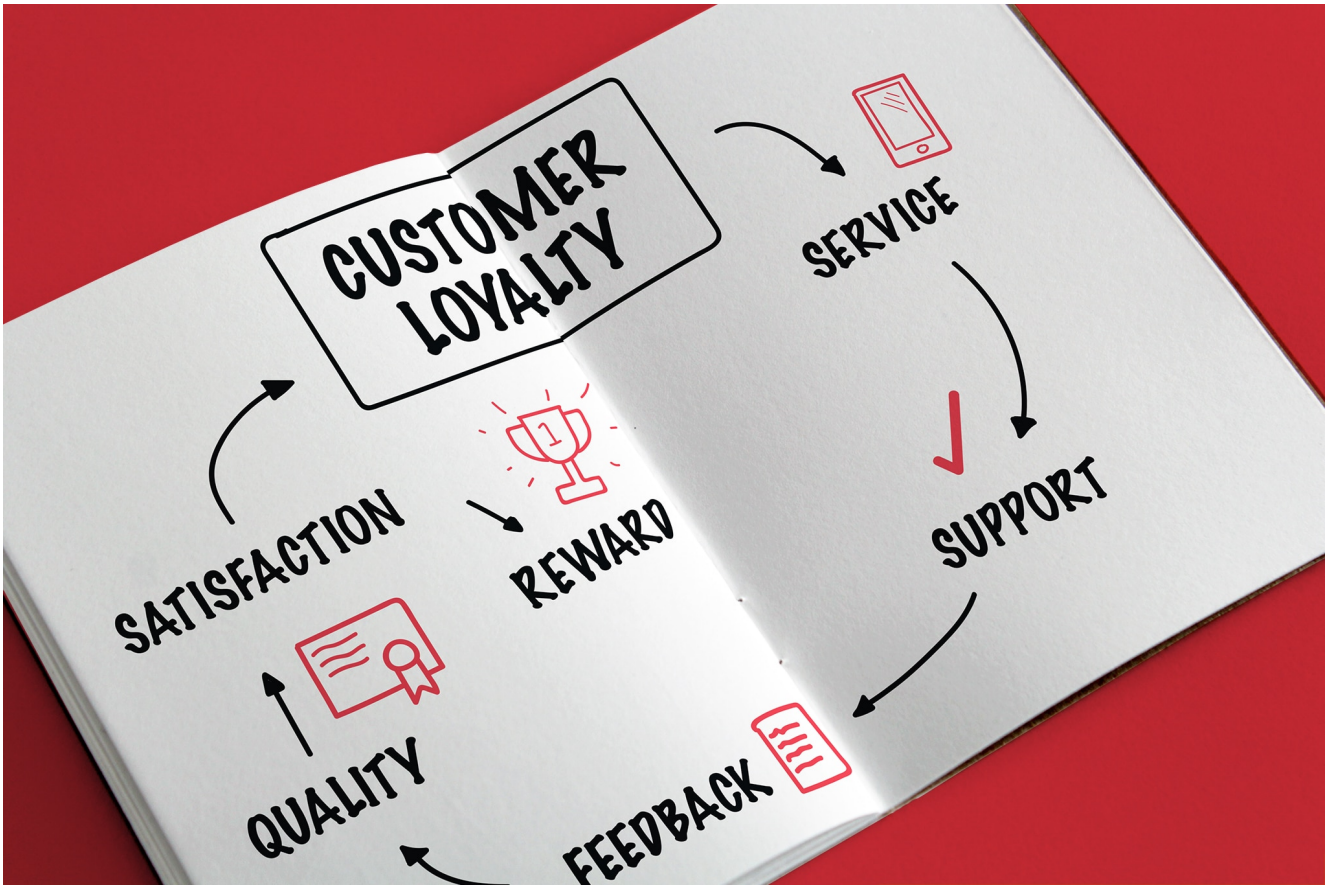
As we know, purchasing decisions aren't made entirely through logic. Instead, people buy items because of the way that purchase makes them feel. If you can encourage an emotional connection through brand affinity and engagement, then you could end up with customers that buy 90% more frequently, and spend 60% more than your standard clients.

Loyal customers not only buy more from you, but they also increase your sales in other ways, by recommending your products to their friends and family. In fact, there's no better source of advertising in the world than word-of-mouth recommendations. According to experts, 92% of shoppers trust word-of-mouth referrals over other sources of product information.

Ultimately, if you're looking for a brand loyalty definition, then the best way to think of it is this: brand loyalty means convincing your customers to like you on a deeper, more emotional level. Whether they like you because of your

incredible prices, or your use of colour is up to you. At the end of the day, it's all about creating a relationship.

Customers – no matter the industry – want to buy from companies that they like and trust. To a degree, that means the world of business is something of a popularity contest. If you can create a brand that stands out from the crowd, enhances credibility with customers through transparent communications, and knows how to market itself online, then you're on the right track.



What is brand loyalty in marketing?

Alright, so we know that brand loyalty is about building strong, emotional connections with your audience, but what is brand loyalty in marketing? How can you use your marketing strategies to create a sense of affinity with your audience?

Brand loyalty in marketing can be a complicated thing. You need to carefully consider not only how you can offer value

through your customer service and your marketing mix, but also how you can maintain the trust of your loyal customers through transparency, honesty, and a distinct personality.

Often brand loyalty strategies address the complete customer experience – all the way from acquisition to return. Here are just a few steps you should think about, when brand loyalty is the goal of your marketing campaign:

What is brand loyalty in marketing: Delivering value

Ultimately, a brand loyalty campaign is futile if you don't know how to deliver value to your customers, through either your products, or services. To stand out and maintain the affections of their customers, brands need to know how to solve specific problems for their audience, and focus on the customer's needs. Start building your brand loyalty theory by refining your services and products. Know your USP and make sure it keeps evolving.

What is brand loyalty in marketing: Customer service

To a degree, brand loyalty is all about customer satisfaction. Research shows that up to three in five customers would try a new brand to get better customer service. What's more, 70% of the buyer experience depends on how well the customer believes they're treated. Make sure you refine your customer services, in everything from your external communications, to your loyalty programs.

What is brand loyalty in marketing: Engage with expert content

Start to grow the public presence of your brand by appointing brand ambassadors that you can select from your internal team.

Search for the experts amongst your staff, and ask them to act as sources of authority for customers who want to engage with you through blogs, social media channels, and more. Studies show that customers consider brand executives to be credible authorities for industry information.



What is brand loyalty in marketing: Build a culture for customer engagement

Various marketing channels, from print, to online advertising and social media, aren't necessarily all about delivering content in a single direction. Your advertising efforts can also be opportunities for you to engage with your customers. A stronger level of engagement, through timely conversation replies, content, and the effective resolution of issues leads to higher degrees of loyalty and customer satisfaction.

What is brand loyalty in marketing: Integrated campaigns

One useful way to boost your brand loyalty is to use novel campaigns for promotion. These campaigns attract and retain interest through a range of incentives like rewards and discounts, while improving brand awareness. Often, promotional campaigns are highly effective and encouraging loyalty, because customers enjoy feeling like they’re part of an “exclusive”, rewarded crowd.

What is brand loyalty in marketing: Sharing reviews

Capturing testimonials and customer success stories so that you can display them through your online channels is a perfect way to boost loyalty and trust through business transparency. Even if you have a lot of negative reviews, you can display some of them and follow up with public responses that show your dedication to resolving your issues.



What is brand loyalty in marketing: Personalisation

Research shows that customers are highly engaged by experiences that are personalised to their needs. In fact, they'll pay more for those experiences simply because they feel as though they were tailor-made for them. With that in mind, whenever it's possible, you should focus on making the customer experience as personalised as you can.

Brand loyalty examples: Brands with killer customer relationships

By this stage, it should be clear to see that successful businesses often earn their success through long-lasting, and engaged relationships with their clients and customers. The brand loyalty theory focuses on the fact that customers will keep coming back to companies they feel emotionally attached

to.

So, how do you find your own brand loyalty definition? What creates brand loyalty, and how can you use the right strategies to develop your own brand? One of the best ways to answer these questions, is to look at some real brands with extraordinarily loyal customer followings.

Brand loyalty examples: Dollar Shave Club

Dollar Shave Club is an incredible company that really knows how to take branding to the next level. Though this company has some great advertising campaigns, the SVP of the business, Janet Song, announced that she would never simply let Dollar Shave Club rest on its branding power. Instead, they believe in the power of knowing their customer, and using that knowledge to build brand loyalty.



Dollar Shave Club integrated their in-house CRM and customer support platform with data analytics, to ensure a rich understanding of their customers. As such, the company can

respond to the needs of their people instantly. The result is more than 1.5 million happy, and loyal subscribers.

Brand loyalty examples: CrateJoy

CrateJoy is a one-stop-shop for merchants who want to launch subscription-based commerce companies. The co-founder for the business, Amir Elaquizy, recognised the importance of brand loyalty and customer retention when it comes to achieving success for the brand. As such, he's made customer retention a crucial KPI for his entire company.



The result of this dedication to retention has meant that companies who use CrateJoy achieve higher numbers of repeat customers than the industry average. In other words, not only do CrateJoy have loyal customers, but the businesses they serve are achieving more brand loyalty too!

Brand loyalty examples: PlentyOfFish

(PoF)

You might not think of a dating site when it comes to choosing winners in the world of brand loyalty, but it's hard to deny that PoF has a powerful online following. PlentyOfFish has attracted 90 million users, but the team doesn't rely on a clearly-proven product to keep more people coming to the platform. Instead, the experts behind this love-focused app devote themselves to constant testing.



With frequent analytics updates, PlentyOfFish can methodically test everything they offer their customers, to make sure that their service is constantly getting better. By upgrading their product all the time, PlentyOfFish have achieved brand loyalty, and a customer base that grows more engaged by the day.

Brand loyalty examples: Bitly

One of the biggest problems a brand can face, occurs when a user doesn't understand the full impact of your product. For

instance, in the past, many customers thought of Bitly as nothing more than a link shortener – only for occasional use. However, by gathering more information about their audience, Bitly learned how they could give more to their customers.



Bitly recently refocused their entire company around offering marketers extensive insights into how they can improve their campaigns. Bitly is now valued as a unique marketing tool that offers ongoing value. By educating their customers with what they could truly offer, Bitly achieved brand loyalty, and more frequent, ongoing engagement.

Brand loyalty examples: Etsy

While a lot of online marketplace shoppers go to Amazon or eBay to look for a product they already have in mind, Etsy remains to be the most popular marketplace for people who want to explore, and discover something new. Etsy are successful because they know the value of their key differentiator. They've even introduced functionality that recommends products to customers based on more than just what people have looked

at in the past.



By giving customers a better experience, and surprising them with new and exciting items, Etsy are delighting their customer base. That delight has introduced a clear improvement in brand loyalty. Today, there's still nothing else on the marketplace quite like Etsy.

Brand loyalty examples: Insightly

Though the majority of SMBs ignore CRM software, because they consider it to be an enterprise tool, the user-friendly CRM system of Insightly has attracted a huge user base. Of course, Insightly wasn't content with attracting just new customers. Instead, they wanted to maintain their existing customers, and ensure brand loyalty.



To achieve success, Insightly found the four product features that were most likely to drive customer retention, and monitored which customers weren't using those features. The company then created outreach campaigns to drive customers towards their most useful products. By answering customer questions and solving problems before they occurred, Insightly owned brand loyalty.

The brand loyalty theory: Tips and tricks for your campaign

Today, the average customer journey is far more complicated than you might expect. Modern customers scour websites and search for products that they're considering buying before they ever make a purchase, that's probably why fewer and fewer clients are continuing their loyalty to a specific brand.

Savvy companies know that loyal customers are profitable customers. After all, repeat customers are cheaper to market to, make more frequent purchases, and spend more. Yet, despite

this, only 27% of initial sales continue to become repeat customers. So, how can you make the most of the brand loyalty theory?

Using inspiration from our killer brands above, and an in-depth knowledge of all-things-branding, we've put together a few tips and tricks for your brand loyalty campaign.



Step 1: Engage with your customers

Connecting with your customers on a deeper level will help you to create a sense of community for your brand. To build a stronger relationship think about ways you can share unique insights into your brand with news pieces for your industry, then consider ways of building the conversation with emails and social interaction.

If you make your customers feel as though they're a part of your brand, they're more likely to end up with positive associations about your company.

Step 2: Know what makes them tick

It's not enough to "know" your customers, you also need to understand how they think, feel, and behave towards your brand when it comes to building brand loyalty. If you can decode what drives your customers, then you'll be in the best position to create long-term advocates.

Speak to your most loyal customers, or ask them to fill out surveys that ask questions about why they chose you over a competitor, and what they like about your services. You can also ask about how you can improve your current offering.

Step 3: Stay consistent

Consistency is crucial to building loyalty. It's important that your brand "feels" the same to your customers every time they interact with it, otherwise they'll struggle to form any lasting connections. Remember to make sure that you're using the same voice across all your social channels, and maintaining the right image.

At the same time, make sure that you always deliver on your promises. If you're not sure that you can accomplish something, then don't tell your customers you're going to do it. This is one of the key ways that you can lose brand loyalty.

Step 4: Invest in your visual branding

As we mentioned above, there are many things that can contribute to the relationship your customer has with your company. Often, it comes down to your brand personality, and the unique characteristics that clients associate with your brand. Since the colours and imagery of your brand are key to its personality, it's important to make sure that you invest enough time, and effort into your visual appearance.

Make sure that you choose your colour pallet carefully, as different hues can lead to different emotional reactions. For instance, the colour red that's used by YouTube's logo makes users feel passionate and energetic. On the other hand, the blue used in the "Samsung" logo is intended to signify confidence and trust. Think about what you want your brand to represent, and create a colour pallet that supports your goals.

Step 5: Focus on what you do best

There's more to brand loyalty than making sure that you deliver the same voice in all your communications, and giving your customers a familiar logo to enjoy. Today's customers are ultimately looking for ways that they can identify with your core values and brand mission. It's up to you, and your branding experts, to make sure that your ideal clients can identify with your brand quickly and easily.

Think carefully about what makes your brand different, and what sets you apart from your competitors. It's crucial for you to know your unique selling points, and how you can build on those attributes to build brand loyalty. After all, while a person can always feel attracted to a specific brand for it's visual, or verbal appeal, it's much easier to draw in the crowds when you're offering something that no-one else has. Think of Etsy, for instance.

Step 6: Be transparent

Finally, people automatically engage and create connections with other people. We struggle to do the same thing with brands. That means that if you want brand loyalty, you need to show the human side of your company. To do this, you need to focus on honesty above all else. After all, nothing drives customers away quite like lying to them. Be honest with your customers about everything – no matter how hard it is.

Unfortunately, this also means that you need to be willing to own up to your mistakes too. Problems are inevitable for any company – what matters is how you respond to them. If you react positively, admit you were wrong, and show that you're happy to take any steps to rectify your error – then your customers will respect you, and brand loyalty will grow. If you get defensive and try to sweep your problems under the rug, then your brand loyalty is going to falter.



Brand loyalty definition: Encouraging loyalty for your brand

When it comes to brand loyalty, your actions will always speak louder than your words. If you want to appeal to your ideal audience, and make sure that they keep coming back for more, then you need to find a way that you can connect to them through shared values, incredible customer service, and transparency.

While you can’t always control the perceptions that customers will have about your company, the online world does give businesses the chance to speak for themselves online. In the age of social media, becoming part of the conversation, and engaging your audience can help you to build relationships like never before.

In an otherwise cold and technical world, where practically everything is done on a digital basis, people are constantly searching for a sense of emotion and human interaction. It’s this desire for connection that makes things like brand affinity and brand loyalty so crucial to a successful company. If you can invest in your users with constant connections and critical engagements, then you can gain their trust, and improve your chances of recurring customers, bigger sales, and brand advocates.

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