

The brand loyalty shift explained

By Leigh Andrews

21 Nov 2019

At Ask Afrika's 'Aha moment' market research intelligence Cape Town Roadshow, MD Sarina de Beer combined insights from their latest Ask Afrika Icon Brands benchmark report to isolate the latest customer loyalty trends. Here's what your business needs to know.



As seen at Ask Afrika's Aha Moments roadshow.

The combination of these reports offered a unique understanding of customer behaviour and loyalty, as well as what customers expect from brands to ensure their customer service needs are met and surpassed.

This means bridging the gap between your brand promise, client experience strategy and customer emotional dimensions, aligning this to your core business strategy and enabling outcomes for impact.

De Beer spoke through the changes and shifts in consumer space at the moment, as well as what we are getting right, important as keeping these front and centre means you won't be surprised by black swan events.



The black swan in sales management

Duaan Dekker, Skynamo 9 Oct 2015



That's why we need to look at the market from the social perspective and see beyond marketer perspective of the consumer, as at heart they (we) are still individuals. The socio-economic context has a huge impact on how we view the world, and businesses bear the brunt of that.

Ask Afrika's Icon Brands Index insights into customer loyalty

Started with the Icon Brand Index, De Beer chose a red carpet theme, reminiscent of the annual Met Gala, as she said fashion and art give us a reflection of what's happening from the consumer point of view and serve as a predictor of consumer behaviour.

“



[View this post on Instagram](#)



Zac Posen used 3D printers to create parts of the dresses worn by Katie Holmes, Nina Dobrev, Julia Garner, Jourdan Dunn, and Deepika Padukone at the #MetGala #innovation

A post shared by [Met Gala](#) (@themetgalaofficial) on May 9, 2019 at 12:16pm PDT

”

De Beer began by stating that the customer-marketer relationship has become very complicated. But is it the customer or the brand that's celebrated on the red carpet?



South Africans stick to icon brands in an increasingly complex consumer landscape

Sarina de Beer, Ask Afrika 12 Nov 2019



So much of the communications today are brand-centric, yet companies continue to say they focus on the consumer.

Taking that back to the concept of loyalty, De Beer asks whether it still exists in a time where people don't stay in their jobs beyond a few years and even political parties frequently change their lineup.



A rainbow nation: Rather tricky for the politicians - and marketers

Anele Malumo 16 Apr 2019



We do understand that the concept of loyalty's significance has changed, but we need to question whether brands are still loyal to consumers, rather than just asking repeatedly whether consumers remain loyal to brands.

Instant gratification and self-expression

De Beer added that disruptive strategies can make it tricky for consumers to keep up with what's going on.

As a result, brands are trying to take the risk out of shopping and offer increasingly simpler choices, but the Met Gala fashion experts said that clothing retailers doing so are effectively taking away consumers' individuality.



The influence of drag

Brett Rogers 2 Jul 2019



The more we do so, the more consumers want to express themselves. They want to show who they are and display their identity.

“ As consumers, we do so with escalating extravagance and extremity, to make it clearer to the world who we are as people. ”

De Beer says that taking in this need for consumers' expression of self, brands will need to get consumers to choose their brand every time. Consumers are no longer loyal across the value chain, so brands need to emphasise their value at every touchpoint.



The Goldilocks role of targeting in evidence-based marketing

Leigh Andrews 7 Nov 2019



Often, we look for granular trends across industries, but each industry is dynamic and follows its own pathway.

For example, De Beer says that pharmaceuticals are largely driven by loyalty cards rather than brand loyalty. So if there's a promotion on a hygiene product you're after at Clicks or Dischem, this will likely determine where you buy the brand.

De Beer noted that a big customer loyalty trends for SA at the moment is that of instant gratification, so the loyalty programmes that offer an instant reward do better than the ones consumers need to save up points for.



How brand advocacy programmes are proving to be the best investment your business can make

G&G Digital 8 Nov 2019



Consumers want to put in as little effort as possible to reap the rewards.

What the active/leisure lifestyle trends mean for brands

To a large extent, this is how the power players have shifted. It's the 'what am I getting in return for the brands I choose to use' mindset.

Shifting focus to the fitness mindset, De Beer explained that South African consumers seem to have decided to participate more, with Virgin Active reporting a 13% increase of membership, 65% fuller classes, and 26% of members now attending classes.

Looking at the retail sales in fitness or active gear, there's also been a massive increase in buying fitness clothes – not necessarily to do the activities in, but for their comfort factor.



Health brands use Instagram to become part of new cultural conversations

Marilyn Dutlow Munga 28 Apr 2017



Fashion and clothing retailers have realised that if people are spending more time in fitness gear, they're spending less time in 'normal' clothes, so they countered this and there's now more comfort and fitness gear on offer.

Interestingly, De Beer says high-end, specialised fitness brands like Nike and Adidas also saw an increase in sales as a result of this trend, but not as much as seen in traditional stores now offering fitness gear, like Cotton On.

True green impact?

In addition, the top-end brands sell at much higher prices due to their special odour-management materials used manufacturing, yet they still end up in the landfill.

That's why De Beer says the true 'green impact' is less constructive for the active performance brands than it is with cheaper active gear now on offer.



Cotton On Group launches online store and rewards programme

25 Jan 2018



In such complicated times, De Beer asks what really drives customer loyalty and does it still exist as we know it?

To answer this, Ask Afrika grouped the items seen as the biggest drivers for being selected as an Impact Brand, then compared the 2018 and 2019 results.

Ask Afrika Icon Brands research: Fomo or doing good?

Danette Breitenbach 27 Aug 2018





They conduct close to 30k interviews a year, with the reports collected monthly, making this solid statistical data.

In two years, there's been a radical shift in what changes on a values perspective. Before, the results were relatively static, now there's more volatility, which is indicative of how consumers are changing and the rate of change in the consumer space.



#AfricaCom: "Every consumer today behaves like a millennial, your business needs to catch up!"

Leigh Andrews 15 Nov 2019



Ranking the dimensions, De Beer said "it puts a smile on my face when I think about it", "it's a brand I trust" and "the brand has never disappointed me", tend to come out on top and are more about the individual.

Those at the bottom are the more collective types which mirror the consumer mindset shift in becoming more individualistic, less collectivistic.

Screen-obsessed, sleepwalking through life

Putting this into the context of loyalty engagement, De Beer said it's about being loyal to yourself. The emphasis on selfies and likes in social media reflects this individuality shift to an extent and will clarify over a longer period of time, but the rate of change is staggering.



What's life without likes?

Andrew Dabbs 23 Oct 2019



From a branding perspective, we all say we want loyal consumers who stick with us, but if we were to describe, identify or profile the customers we really want, it's not really the traditionalists who don't try new things.



South Africans typically spend a total of 2 hours 48 minutes a day on social media. As a country, that ranks SA as the sixth-highest. We spend as much as 8 hours 25 minutes a day online as consumers – De Beer says that's staggering as it's the same amount of time it takes to run a marathon or to get a good night's sleep.

“ In simple terms, that means we check our phones 150 times a day. Each time we make a conscious choice to do so, we choose not to be present. That's why so many consumers are on their phones while checking out at the point of sale, yet it's also a double standard. As consumers, we don't engage with the people serving us, yet we expect them to be fully present when helping us. ”

De Beer says that we don't always recognise obsession in ourselves, but that constant checking of social feeds entices a form of addiction.



As seen in Ask Afrika's Aha moments roadshow.

This is no ordinary industry disruption. It results in more complicated relationships between brands and consumers and increasingly layered fragmentation as we receive more and more data about our customers, but understand them less and less.



#CEMAfrica2018: Why customer loyalty is becoming a thing of the past and what to do about it

Leigh Andrews 3 Aug 2018



We also err in focusing so much on understanding particular target markets, like millennials – but they are nearly 40-year-olds and not the fresh new consumer to target.

De Beer says to look at all the segmentation models out there. They don't really work as consumers don't really spend like that or live like that, yet we keep trying.



#AfricaCom: "Every consumer today behaves like a millennial, your business needs to catch up!"

Leigh Andrews 15 Nov 2019



That said, today's consumers definitely are alike in that they're becoming addicted to the instant gratification lifestyle and expect frictionless interactions.

We jump from the drama of one crisis to another, we are addicted to the drama. De Beer says some of this 'social autism' is borderline pathological narcissism, and it's based on living in extremes.

"We get attached to concepts like a best friend forever or BFF – it's not just a friend or best friend, everything gets a little bit extra," says De Beer.



#YouthReport2018: Smarter-than-you-think millennial coping strategies and life hacks

Leigh Andrews 11 Sep 2018



That's why she says most of us sleepwalk through life – we're not fully 100% present in real-life and the double standards abound as we don't want our kids to be on their devices 24/7 yet we're usually distracted and '[second-screening](#)' when we spend time with them.

Similarly, De Beer feels that too many brands, consumers have just become a big number. But in marketers' obsession with understanding their consumers in the simplest way, forget the context of the world consumers live in today.

Extremist behaviours in an extremist society

Speaking of the 'Kim Kardashian had some ribs removed for the sake of fashion' rumours, De Beer said we tend to think of that as extreme, but we actually engage in similar behaviours ourselves.



Ask Afrika reveals 2018/2019 icon brands winners

28 Aug 2018



Just think of the rise of restrictive diets like the keto and banting model.



De Beer presenting at Ask Afrika's Aha moments roadshow.

The core principle of these is very extremist and De Beer calls this "punishing yourself to an extent," as it has become an acute luxury to starve yourself. It involves so much cost and planning.



Social Media Landscape Briefings: Understanding the dynamics of Generation Fluid

Juanita Pienaar 15 Nov 2019



Yet these extremist customers are the ones we're trying to please as brands, and our employees – the very people servicing them – are extremists too, so we need to create a common ground to be understood.

De Beer said the other reality of our times is increasing fluidity in the market, with the likes of David Beckham having teamed up with L'Oreal to launch his House 99 male grooming range.



David Beckham launches grooming line with L'Oréal

15 Jan 2018



It's a reflection of the rise of the HENRY consumer: High Earner Not Rich Yet.

The HENRY can afford some expensive items but will mix them with inexpensive items as part of their style so it's not head-to-toe luxury. Note that this is not an affordability issue but rather about expressing their identity.

Time to rethink the concept of luxury

The time of thinking about people as fitting into a specific box has changed. Consumers are trying to take back control, as the concept of luxury itself becomes more democratic and inclusive.



Can brands survive the era of fake news, jaded consumers and robot trolls?

Luise Allemann 30 Sep 2019



De Beer mentioned the rise in popularity of "[dad shoes](#)", those bulky, colourful sneakers that carry a hefty price tag, which makes them a prestigious item to wear, even if you think they are ugly.

It's like all the holiday posts we seen on social media these days – the hashtag #blessed has come to be a nice way of saying "I can afford this."

“





[View this post on Instagram](#)



The 3 things that relax me in life is music,nature and a glass of wine. Also one other but that's special. . . . #view #sunnyafternoon #sunset #sunshine #amazing #planetearth #calm #relaxing #beautiful #mothernature #blessed #amen #godscreation #insatgood #instadaily #picoftheday #instagram #sydney #australia #rushcuttersbay #boats #rich #famous #toys #live #love #laugh #enjoylife

A post shared by Mario 🍷🍷🍷🍷🍷 (@joysoflife) on Nov 20, 2019 at 12:29am PST

”

De Beer summarised that brands are collecting people through loyalty cards and data, yet brands need to beware as consumers are starting to rebel against this form of ‘ownership’ and focus on proving their loyalty to customers before expecting customers to prove their loyalty to the brand.

Watch for the second part of my coverage of the Ask Afrika ‘Aha moment’ roadshow, visit the [Ask Afrika press office](#) and follow Ask Afrika on [Twitter](#), [Facebook](#) and [LinkedIn](#) for the latest updates!

ABOUT LEIGH ANDREWS

Leigh Andrews AKA the #MilkshakeQueen, is former Editor-in-Chief: Marketing & Media at Bizcommunity.com, with a passion for issues of diversity, inclusion and equality, and of course, gourmet food and drinks! She can be reached on Twitter at @Leigh_Andrews.

- #Loeries2020: Behavioural economics as creativity, but not as we know it... - 24 Nov 2020
- #D2020: Ignite your inner activist - representation through illustration - 27 Feb 2020
- #D2020: How Sho Madjozi brought traditional Tsonga *xibelani* into 2020 - 27 Feb 2020
- #D2020: Silver jubilee shines with Department of Audacious Projects launch - 26 Feb 2020
- #BehindtheSelfie with... Qingile 'WingWing' Mdlulwa, COO at The Whole Idea - 26 Feb 2020

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>