

DMA insight: The customer loyalty landscape in 2018

Loyalty can't be bought. Gaining loyalty requires patience from brands and customers, who know they have the upper hand.

All this and more is explained in our latest 'Customer Engagement 2018: How to win trust and loyalty 2018' report, in partnerships with Pure360 and Foresight Factory.

What does it really mean to be loyal? What makes consumers genuinely loyal to brands? How can brands reward their customers to keep them loyal? Read on to find out.

Campaign sponsor



The two faces of the loyalty coin



Why do you feel less loyal?



Deal hunting customers



"When shopping I often change my mind about what brands/shops to use as a result of deals/offers"

57%

"If a brand/shop I like stopped offering deals I would stop buying from them"

40%

What makes you loyal to your favourite brand?

Functional needs are key factors in driving both habitual and genuine loyalty.

However, brands - hunting for more genuinely loyal customers - should consider investing in other emotion-led drivers.



"First, it has to function..."



How to reward long-term loyalty?



70%

"I would like rewards to be more related to what I like"

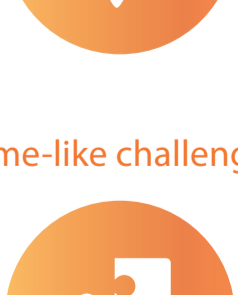


Would like to receive

VS

Currently receives

Free gifts/treats:



71%

36%

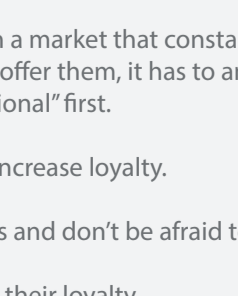
Location-based discounts:



56%

43%

Game-like challenges:



45%

29%

Conclusion

Customers' multi-dimensionality is something that marketers are already familiar with.

Hence, they shouldn't forget to always flip the coin: customers say something and feel the opposite – customers say they are loyal but feel like they are not.

So, what are customers demanding from brands? In a market that constantly offers competitive solutions, customers demand convenience. Furthermore, whatever you offer them, it has to answer their needs like being personalised, flexible, easy and reliable. In other words, it has to be "functional" first.

Beyond that, there are a range of ways brands can increase loyalty.

The key is to take the time to understand customers and don't be afraid to try something new.

Study your customers, surprise them and you'll win their loyalty.

About the DMA

The DMA provides guidance and support to help its members put their customers at the heart of their one-to-one communications to give them the rich benefits of a much more relevant, welcomed and effective relationship with each individual customer.

The DMA aspires to facilitate its members' marketing evolution with the opportunities, advice, support, networks and tools to be able to reach the sensitivity and sophistication of marketing to build their future prosperity – along with the success of the industry as a whole.

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