



BRIDGING THE BYTES

Retaining Brand Loyalty

[Understanding Its Significance]

By Anita Agrawal and Siddharth S

Brand Loyalty

Abstract:

Why certain consumers are loyal to certain brands and what influences such an adherence? What makes a consumer deviate from the norms? What makes a consumer willingly get bonded to products or services as a result of a deep-seated commitment? A consumer is considered as a brand loyal whenever a consumer perceives that a brand is offering him the right product features and the desired level of quality, and hence repeatedly makes a conscious or subconscious repurchase of that particular brand.

To get the buyer to that level, a brand has to be positioned very effectively and should have the right marketing mix that can make a consumer get attached to it. The brand when it displays that distinct identity, it is then that it captures the audience's attention.

Through this study let us see how we can use the web to connect with the customers and get them satisfied to the extent of making them brand loyal. How we can identify and acquire our high – valued customers and create an effective strategy to manage their responses and experiences such that it helps us to retain them and build them into loyal customers. How can we identify brand loyalty and what can we do to perceive it? A brand symbolizes a company. It gains the customer's regard when it shows that it gives product or services differentiating it from the competition.

Brand loyalty:



Brand loyalty is essential for the product to create its own niche

The term loyalty is associated with a feeling of devoted attachment and affection. The term 'brand loyalty' captures this very essence but from a commercial perspective. Manufacturers and companies are always trying to create niche in the market by constructing their own base of loyal customers, who over the period of time have accepted the product whole heartedly. These brand loyalists would spend their money devotedly to acquire the particular product and would also carry a feeling of immense satisfaction on the purchase. The importance of brand loyalty can be asserted from the fact that it plays a vital role in the company's advertising appetites. If a particular product is having a good brand loyalty, then the company spends large amounts over short periods of time to attract new patrons, but if the brand loyalty is low then companies tend to keep the advertising at a steady pace to attract fresh consumers and to boost sales (Loudon. Pg 567. 2001).

Maintaining brand loyalty is the biggest challenge for the company, as it is a very tedious process to acquire a customer and then convert him to carry repeat purchases from the company. The more difficult part comes in providing the same level of service that a customer will expect in his return to his loyalty.

Internet brand loyalty:



*Brand loyalty
can achieve
high goals
through the
medium of
internet*

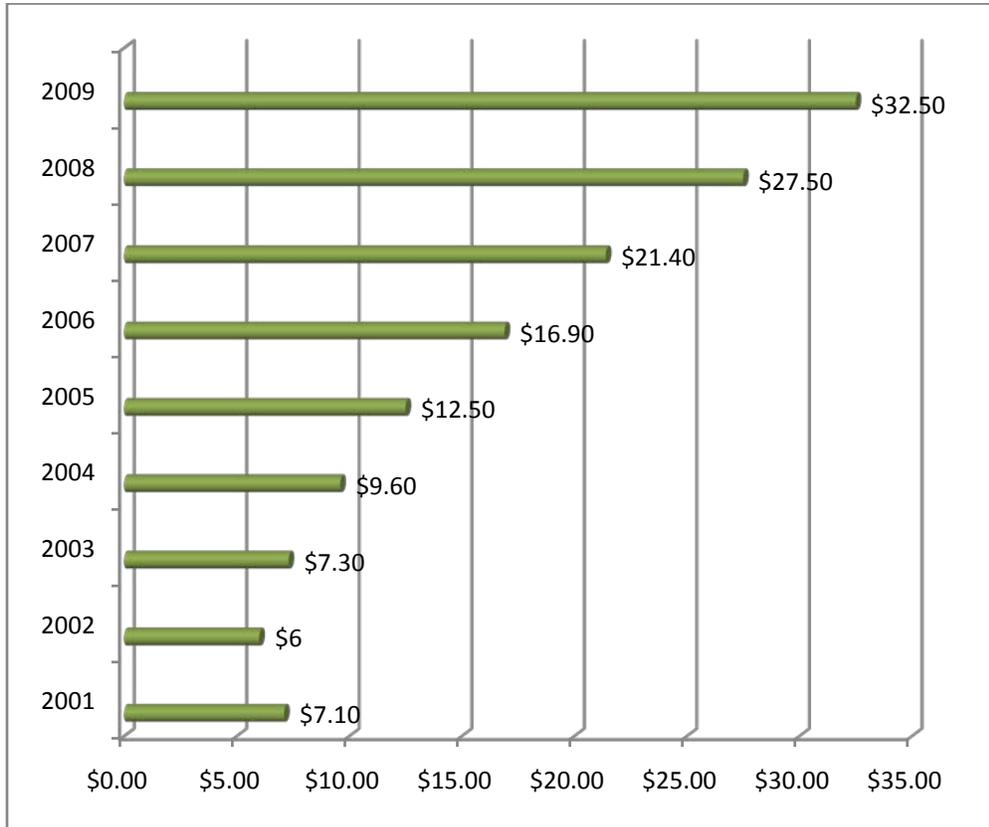
The internet today is the biggest medium of trade. The size of commerce that can be carried out through this means is incomparable to any other ways of promoting business. The reason behind the success of internet as a viable trade option is because it is easy to tap and cater to a very large audience, thus pitching your product to a consumer size that is unimaginable.

Brand loyalty, when ventures in to the internet, creates a new structure all in all. The ethos remains the same for brand loyalty, for a product retailed in the market or being sold through the website. However the e-marketing teams of the company have to be creative in their approach to acquire and maintain the consumer who would log on the website. The reason behind it is when a

consumer enters a store, the look and feel of the store gives him certain psychological comforts. When he becomes a customer of the web, he requires the website of the company to give the feel and ease to surf easily and finish the purchase without having any insecurity in mind. So when internet based brand loyalty has to be initiated, the e-marketeering factors change a lot of dimensions for the company. At the very first, the company tries to maintain a non-complex service to the consumer, making the purchase as hassle free as possible. Once the consumer gets into the ideology of buying the product on the basis of 'few easy clicks', it engenders the beginning of internet brand loyalty.

Advertising becomes an excessively important aspect for producing brand loyalties. The internet gives the chance to the e-marketer to increase sales by capitalizing on brand loyalist of other companies by advertising and creating relations on other loyalist eccentric websites (Leland Harden, & Bob Heyman. Pg 196. 2009). The volume of revenue expenditure for such internet advertisement is burgeoning every year. It is evident from the chart underneath.

Internet advertising cost of U.S (in billions)



Factors that promote brand loyalty amongst B2B (Business to Business) and B2C (Business to Consumer):

(B2B)



(B2C)



Facets of Internet Brand Loyalty:

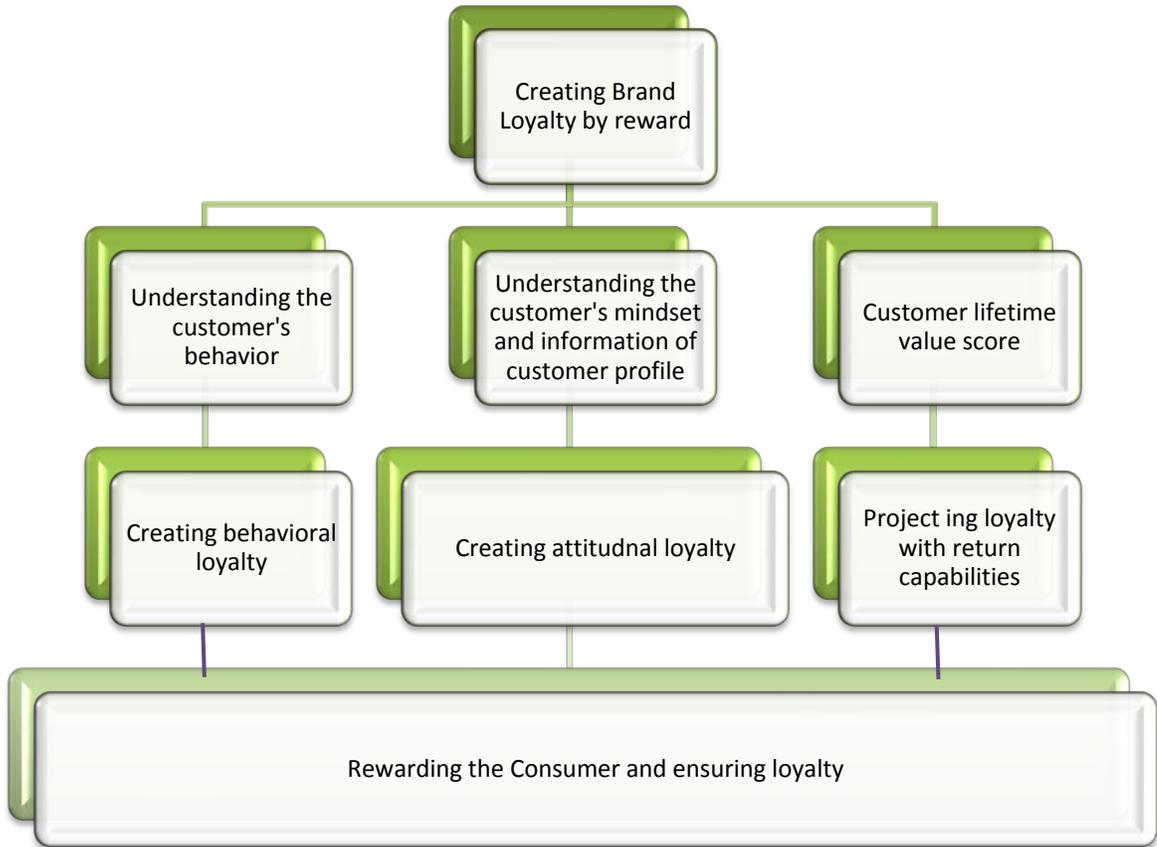


Attitudinal and behavioral loyalty plays an important role in brand loyalty

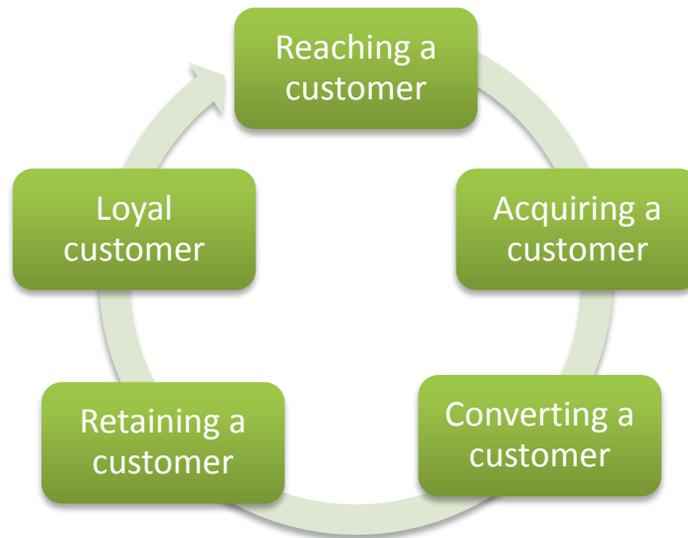
In factual terms, to get a consumer to remain loyal with the brand requires a lot of unique marketing strategies. For a consumer to attain the status of loyalty he needs to get thorough satisfaction right from the service attained to the quality of the product. However, it is not necessary that once a consumer attains satisfaction he will ensure loyalty with the brand. By and large, loyalty toward your brand can be segmented into two areas, one demonstrated by the customers and the other, by the suppliers. There is a difference between a loyalty demonstrated by a supply chain entity and that demonstrated by a customer. The reasons behind a B2B (Business to Business) loyalty program would be rather rational and that of a B2C (Business to Consumer) unit would be emotional or psychological. In the following you will be able to see descriptions on some of the factors that are associated with brand loyalty:

- a) **Mind-set:** The internet allows itself to become a market place of tailor-made information because of its database attributes. It becomes very essential to create a positive mindset on the virtues of trust and privacy issues. As the consumer always has a choice of acquiring another product just by refreshing a new page, it becomes critical to instigate positivity towards the brand. If the consumer gets into a positive mindset, his chances of staying loyal with the brand remains higher compared to a normal scenario.
- b) **Behavioral:** Consumers who have repeat buying patterns come into this category. It becomes essential for the company to tap the consumer into behavioral loyalty as it is an express way for gaining returns. Behavioral loyalty of a company tends to increase if the consumer is given awards or gifts for his repeat purchases.

Systematic procedural flow of attaining loyalty by awarding the consumer:



Consumer Life Cycle (CLC):



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There are 5 essential steps to achieve brand loyalty

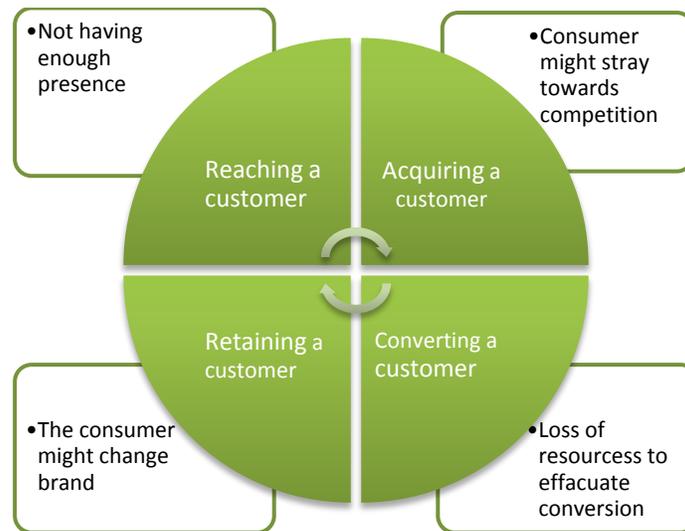
Let’s see what progression of steps a customer goes through when he decides to purchase, use and maintain loyalty towards a brand or a product. According to Jim Sterne and Matt Cutler, the customer life cycle has five phases.

- **Reaching a customer:** This involves getting a potential customer's attention.
- **Acquiring a customer:** This involves making the customer aware of your services and offerings.
- **Converting a customer:** This includes impressing the customer, to the extent that he turns into a paying customer.
- **Retaining a customer:** When you are successful in making him your loyal customer and willing to repurchase your products.
- **Building Customer loyalty:** Loyalty toward the brand is achieved when a customer is satisfied with the product or service and has joined the cycle.

If you can retain a customer and make him a loyal to your services or product you get an upper hand over your competitors. Hence an effective marketing strategy will concentrate on the first four phases keeping the fifth phase as the final goal for achievement. The first four phases of the customer life cycle concentrate on developing a sound customer retention strategy.

The concept of creating brand loyalty contains creating a true brand loyal, One who would like to repurchase a brand due to acute liking and not because there are not many choices or options available. Customers who are truly committed towards your brand would pay higher prices, incur less cost to serve, and bring new customers to the firm. Thus, if we manage to build brand loyalist through effective marketing strategy, then such a brand loyalist would further effectuate our marketing strategy by bringing us more customers. The marketing activities targeted towards building brand loyalty are mutually benefitting activities.

Implementing web marketing programs in the five phases of customer life cycle:



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Importance of SEM in retaining brand loyalty

What online marketing efforts can we make to have an impact on CLC so that we can influence a customer positively to achieve brand loyalty? The activities should be such that it culminates into building a strong relationship to achieve an ever-expanding clientele and ever plummeting business profitability. We all know that getting targeted search results is a must for online success. All SEM practices aim at this, and optimizing organic search strategies even take months to reach to the optimum and desired level. Let's see how organic SEM marketing practices can be placed in the customer life cycle.

- **Reach your customer:** In order to reach to the potential customers, we will have to create ample awareness about our product in the market. When a customer has a buying interest in our product type, then our brand should be able to catch the customer's eye in order to be considered.

The keywords which the customer is using for searching his desired product should lead him to our product or should get him to the information leading to our brand. The research which he is doing should lead him to your site.

Here, optimizing of your site, ample and necessary content about your product becomes the attention grabbers. Creating our online presence and creating the digital identity of your brand becomes important. A well optimized site that is being found for your main keywords can help you claim their interest.

- **Acquiring a customer:** In order to bring the customer into your influence sphere, the quality of the content and your marketing skills steals the show. When the customer manages to arrive at your site, then the content should be persuasive enough to compel the customer to give a serious thought to your product. If you don't have a well optimized site and lack relevant content, chances are that the customer will bounce to another competing site and might never return.

- **Converting a customer:** To convert a potential customer into a paying one, you have to provide the customer what he is looking at. If a customer decides to buy your product, the site should be well equipped so that he can make the purchase there and then. The site should be properly designed keeping e-commerce in mind. This may mean clearly displaying prices and shipping rates on your site, it may mean having an easy to use shopping cart.

In case you don't wish to introduce online buying then there should be a provision of offline buying within the consumer's reach, or providing the customer a toll free number so the customer can order offline. The conversion paths should be straight forward and immediately achievable.

- **Retaining a customer:** If you could convert a one time buyer into a repetitive buyer, then you've managed to achieve success. Selling a product to a customer is not sufficient; you have to build a relationship with your customers in such a way that the customer acquires a lifetime value from the purchase. After making a purchase a customer undergoes rationalization. The assurance that he has made the right purchase will make him come back again to your product.

- **Building Customer loyalty:** When a customer is advocating your product, there is no better effective marketing activity than that. How can you make each of your customers as your brand ambassador? If a customer gains satisfaction, joyful and fulfilling experiences after using your product then certainly he will be suggesting the product to everyone else.

Once the relationship is built you have to further it through the online activities. Relationship marketing is the key to repeat business, whether it is online or offline. Here, knowing how your customer interacts with your product, and what the praising and criticizing factors are, might help you devise marketing steps to build brand loyalty.

Search and Online Marketing are powerful tools to attain online identity. However, when you want to incorporate the online marketing practices in CLC, each step has to be worked on in order to make it achievable. You have to be very careful and develop the strategy which can handle the “fallouts”.

Fallout can occur at any step along the way as a buyer can abandon a solution at any point of time or can get diverted to an alternative. A marketer has to pay close attention to the buyer’s behavior at each step and direct marketing efforts keeping in mind all the things, such as, Buyer’s psychology, Competition’s strengths and weakness and Market conditions.

The psychology behind Brand Marketing:



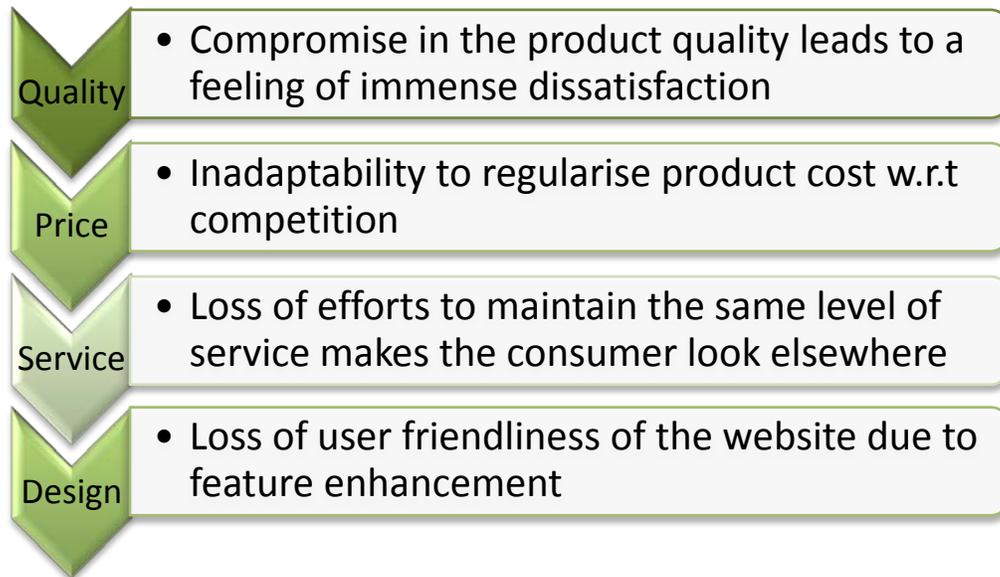
*Repeat
purchases do
not mean
brand loyalty*

All repeat purchases do not constitute brand loyalty. Bloemer and Kasper assert that “A repeat purchase behavior is the actual re-buying of a brand, whereas loyalty includes reasons occurring before the repeat purchase behavior”.

True loyalty is the goal to be achieved. Sometimes what we perceive as brand loyalty might be spurious. In order to differentiate between true loyalty and spurious one we should know that a loyal consumer is biased and comes to a decision of purchasing after evaluating one or more alternate brands. However, there is a function of inertia in the buying process of a spurious loyal whether a true loyal has a distinct psychological process which results in his commitment towards the brand

Factors affecting loss of brand loyalty:

Sometimes companies do all the hard part, of converting a customer into a brand loyalist, but because of certain factors the consumer eventually deserts the brand. The following points will enable you to understand the reasons behind the discontenting of the consumer:



Conclusion:

Brand Loyalty constitutes a lot to the company in terms of revenue generation and word of mouth advertising. Innovative marketing strategies to imply brand loyalty becomes a must for e-marketers. If the company has to achieve a higher level of success then it becomes mandatory to create a large pool of brand loyalists.

The area where an e-marketer needs to put attention is towards his approach for SEM. When an e-marketer desires to achieve brand loyalty, he has to completely evaluate and understand his purchase psychology. It is very necessary to understand that sales are the true measure of success in brand loyalty.

Usually in the SMM activities, the success is measured in terms of clicks or viewership. Here, it becomes important that the marketing activities have to be so structured and accurate as to result in getting more sales. The factors constituting to loss of a brand loyalist showcases serious concerns for the brand. In the end it can only be said that the more no. of brand loyalists you tend to acquire in your course of business, the more chances of your brand achieving the pinnacle of success increases.

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Anita is an experienced internet marketing expert who has helped many Fortune500 companies to devise result oriented marketing strategies. She has also been a marketing advisor to many startups that benefited from her insight into resource optimization for online marketing success.

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Siddharth is one of the leading figures in the marketing arena. He uses his marketing strategies to execute efficient processes by understanding the core strength of organizations. The corporate world utilizes his skills to devise bespoke strategies for creating the required edge in the market.

About Copper Bridge Media

CopperBridge Media connects the dots of conversation so that it can be tapped for business growth as well as corporate creativity. Business intelligence embedded in social interactions over the web is utilized in all of its customer-centric solutions - ranging from Corporate Branding, Multi-Channel Marketing, Research and Analysis and pervasive Search marketing solutions. The 'voice of customer' is embedded in every CopperBridge strategy and solution.

While conversion ratio and ROI remain at the epicenter of Search marketing dynamics, brand reputation and channel visibility continue to be the focus of most of the major corporate entities. With this in mind, CopperBridge Media has been persistently offering a hybrid marketing model to its client base - a market savvy mix of corporate branding, Multi-Channel marketing and targeted Search marketing. 'Result based' and 'Behavioral-data enabled' marketing strategy is the hallmark of CopperBridge business solution mix - which has helped its partners and clients scale up their operations and diversify their business portfolios.

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