Consumer Loyalty is Still Every Marketer's Goal

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Today's business climate frequently forces brand managers to focus on near-term issues. Achieving this month's share goals, order-fill rates, revenue targets and the like commonly force management to shift focus away from strategic opportunities and on to "urgent" items.

With this, these brand ambassadors lose sight of what their job's real mission is - to develop an impenetrable bond with their user audience. Developing and nurturing loyalty should be the marketer's primary, day-to-day concern. Doing so increases the likelihood their brand can withstand economic turmoil, competitive threats, and reasonable price increases.

How is This Bond Formed?
Everyone knows luring consumers to a brand is difficult, and forging loyalty even more so. With most offerings in a given category relying on similar technologies or platforms, the luring is typically accomplished through pricing activities. Through in-store temporary price reductions or couponing, consumers are told "we'll reduce your risk if you give us a try." The problem with these approaches is that, just like the price relief itself, the consumers' commitment to the brand is temporary.

Another popular strategy among marketers with significant A & P budgets is the development of catchy marketing phrases like "Just Do It" or "Oooops, I could have had a V8". This approach can be effective, until budgets are cut because another brand in the division is underperforming. As a result, your target forgets you exist until you send them a coupon to generate the immediate consumer pull-through needed to make your numbers.

Recent research, which included 692 consumers completing 3,546 product evaluations across 10 popular brands/products, demonstrates how innovative products can lure consumers to a brand and if done right, build a loyal relationship which can be the basis for future growth.

The Path to the Holy Land
For every product, the path to success is through the consumer. Whether success is measured by market share, revenue or profitability, the definition and measurement begins and ends with the people who purchase and use the product. Given this, for long-term strategic success, two questions should be asked in reference to the brand's product offerings:
· What is our consumer's core need?
· Will our offering fill that need and deliver on its promise?

If these questions are answered accurately, meaning a clear explanation of the consumer's need is articulated, and that need can be uniquely satisfied, consumer loyalty will result. Here's proof.

Splenda, How Sweet it is
Sugar has long been the gold standard for sweeteners. From birth, we're trained to enjoy its taste and texture. The calories and other issues like tooth decay that come with it, well, those are a nod to

the fact that nothing in life is perfect. Yet, those nagging issues have left the sugar industry open to competitive threats. At last count, there were more than a dozen artificial sugar replacements offering a variety of benefits ranging from sweetness to low or no calories to shelf and heat stability.

Saccharin (Sweet'N Low) and aspartame (Nutrasweet/Equal) were the most popular and successful brands until the turn of the century. Between the two, these brands were universally considered to be the only sugar alternatives needed. As a category, artificial sweeteners was saturated. Then came along the introduction of Splenda. This relatively young brand has become one of the world's most popular sweeteners existing in 1,000's of food products in addition to maintaining dominant market share in the tabletop category (the product we can all buy to bake with at home).

Considering the success of aspartame and saccharin, how could there be room for sucralose?

Well, research shows that while a number of products were available, none fully satisfied consumer needs. When evaluating product descriptions and their usage experience, we also asked participants what motivated them to try the different products. Half of all Splenda triers (52%) said they wanted the benefits promised. The study norm, or average across the 10 tested products, was just 32%.

In contrast, when asked about "uniqueness" as in "how unique was Splenda when you first became familiar with it?" Splenda actually scored lower directionally than the study group as a whole, 38% vs. 47% on a top 2-box basis (7 point scale). This suggests Splenda wasn't unique, just promising to fulfill unmet needs.

Certainly product performance play's a key role in determining strategic success. Directionally, Splenda scored higher here too. Six in ten consumers (62%) rated Splenda top 2-box scores in terms of "how well Splenda satisfied their expectations for doing what it said it would do". The study norm was closer to half (55%).

The final measure we have to reference has to do with what we call "Product Performance," as in "what percent of triers are still product users?" Here Splenda excels. Half of all triers (49%) said they still use the product. The 10-product average was just 28%.

Splenda provides a perfect example that even in mature categories, unfulfilled consumers exist and can be attracted to new brands. The difference here is that this product delivers on its promise and as a result, has developed a core user base. A user base that one could argue is loyal; the marketer's ultimate goal.

Barry Curewitz (barry@wbbe.biz) is managing partner of Whole-Brain Brand Expansion.