



e-Book

Unlocking customer lifetime value:

From loyalty to brand evangelism



In today's fiercely competitive consumer landscape unlocking customer lifetime value by fostering deep-rooted loyalty is the key to achieving unparalleled brand success and longevity. Drawing from our comprehensive research on customer retention, our latest e-book, "**Customer Lifetime Value Unlocked: The Journey from Loyalty to Advocacy**," offers brands a wealth of data-driven strategies to transform loyal customers into passionate brand advocates. Here's a glimpse into the e-book's key insights on navigating and transforming the consumer loyalty journey.





Building unbreakable bonds:

Key drivers of consumer loyalty

Securing lasting customer loyalty hinges on understanding several critical drivers. Among these, our research underscores the importance of product quality, brand reputation, and ethical practices. **For instance, over 60% of consumers expect high-quality materials in the products they purchase, and more than half of consumers emphasize that a strong brand reputation is crucial for earning their loyalty.** Enticing discounts, strong local connections, and ethical practices also play significant roles in the loyalty equation. *(key loyalty driver infographic page 3 of e-book draft.)*

These insights reveal the multifaceted nature of consumer loyalty and provide a roadmap for brands to build deeper, enduring relationships with their customers.



**Expect high-quality materials
in the products they purchase**



Meaningful conversations:

The first step in the loyalty journey

75%
Gen Z

Discovering products through influencers.

Understanding how different generations discover new products is crucial for crafting precise, impactful marketing strategies.

Gen Z leads the way on social media, with 75% discovering products through influencers. (Page 4, *"Capturing Attention: How Consumers Find Your Brand"*). Millennials, on the other hand, rely on online reviews and targeted digital ads for new finds. Meanwhile, Baby Boomers favor the familiarity of in-store displays.

By identifying these unique discovery channels, brands can effectively captivate and retain their diverse audiences.



Understanding consumer expectations:

Insights by demographic

Why consumers choose your brand is important but it's also essential to fully grasp what their expectations are to refine and enhance your marketing strategies. Our report emphasized that although some expectations, like the demand for high-quality materials, are universal across all demographics, different age groups have unique priorities when it comes to their brand preferences.

- **Gen Z and Millennials**
- **Gen X**
- **Baby Boomers**

Catering to these diverse expectations not only helps brands satisfy consumer needs but also plays a pivotal role in exceeding them.





Understanding consumer expectations: Insights by demographic

Gen Z and Millennials

Younger consumers are highly tech-savvy and favor digital interactions. They appreciate personalized recommendations and value quick, efficient customer service through online channels.

Notably, over 70% of Gen Z and 64% of Millennials value brands that remember their past purchases and suggest similar products (*Page 4, "Brand Consideration: Meeting Consumer Expectations"*). They also respond positively to brands that emphasize social responsibility and ethical practices.





Understanding consumer expectations: **Insights by demographic**

Gen X

Often acting as a bridge between the younger and older generations, Gen X expects a balance of digital and traditional customer service. They value both online convenience and the ability to speak to a knowledgeable representative when needed. Personalized offers based on past purchases are also appreciated by this group.

Gen X shoppers express a desire to see and touch products before purchasing, with 78% favoring in-store shopping (Page 4, "Behind the Screen or on the Scene: How Consumers Prefer to Shop").





Understanding consumer expectations:

Insights by demographic

Baby boomers

This demographic tends to prefer more traditional interactions. They highly value excellent customer service, preferring direct, personal communication over digital interfaces. Trust and reliability are paramount, with a strong preference for brands that provide clear information and reliable service.

Baby Boomers are 17% more likely to remain loyal to brands that deliver outstanding service (Page 3, "Consumer Loyalty Drivers").





Consumer Shopping Trends:

Balancing in-store and online experiences

Analyzing shopping preferences highlights clear trends between in-store and online experiences across age groups. **Baby Boomers favor in-store shopping for its tactile experience and instant gratification, with 70% preferring to see and touch products before purchasing** (Page 5, "Behind the Screen or on the Scene: How Consumers Prefer to Shop").

On the other hand, Gen Z and Millennials are drawn to online shopping for its convenience and flexibility, enjoying easy price comparisons and the freedom to shop anytime, anywhere. By tapping into these preferences, brands can tailor shopping experiences to meet the diverse needs of their customers, effectively balancing the tangible benefits of physical stores with the ease of online platforms.



Post-purchase excellence:

Enhancing the customer experience

The customer journey doesn't end at the point of purchase. In fact, post-purchase interactions play a vital role in building lasting loyalty.

Our research indicated that transparency and regular communication in post-purchase interactions are imperative. Consumers today expect timely updates on their orders, clear information about shipping, and proactive communication in case of any delays. Baby Boomers in particular, place high importance on reliable communication, which significantly impacts their loyalty. *(Page 5, "Behind the Screen or on the Scene: How Consumers Prefer to Shop").*



Loyalty behaviors across categories

Consumer loyalty isn't a one-size-fits-all scenario. Loyalty behaviors vary significantly by product category as well. Our research explored three primary factors impacting consumer purchase decisions across categories: Brand reputation, personalized offerings, and sustainable and ethical practices.

Consumers in the health and wellness category appear to highly value product quality and brand reputation, while those purchasing luxury fashion items place a greater emphasis on personalized offerings and expect brands to have sustainable and ethical practices. *Page 6, "Figure 9")*

This distinction and others revealed by our report highlight the importance of recognizing the unique drivers that influence loyalty within each category.



Repeat purchases and brand switching

88%

Consumers

say it takes three or more purchases to build loyalty.

Considering that 88% of consumers say it takes three or more purchases to build loyalty, it's critically important to understand what inspires repeat purchases and brand switching in different age groups. Loyalty rewards and discounts top the list for driving repeat purchases for Gen Y and Gen X. Interestingly, both the youngest and oldest generations – Gen Z and Baby Boomers point to efficient and reliable delivery or shipping as the primary factor influencing a repeat purchase. *(page 7 and 8 of e-book)*

When it comes to switching brands, our research showed that more than half of shoppers pointed to better product quality and more attractive discounts as powerful incentives to switch brands.

These insights lay the foundation for understanding the broader strategies needed to cultivate lasting loyalty.





The loyalty playbook:

Insights for enduring brand success

The true power of brand love lies in its ability to create deep emotional connections, transforming customers into lifelong advocates. Understanding the myriad of factors impacting consumer loyalty is crucial. But even more important is transforming these critical insights into actionable strategies that drive unparalleled loyalty and unlock customer lifetime value.

Our exploration of the loyalty journey so far has merely scratched the surface of what our research uncovered about the power of brand love and lasting loyalty. If you're ready to elevate your brand and foster unwavering customer loyalty, access the wealth of data-driven insights by downloading our e-book now.





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