

MARKETING WITH THE LOYALTY LOOP

Your Guide to the New Way that Customers Purchase

IN COLLABORATION WITH:

australian Businesswomen's Network







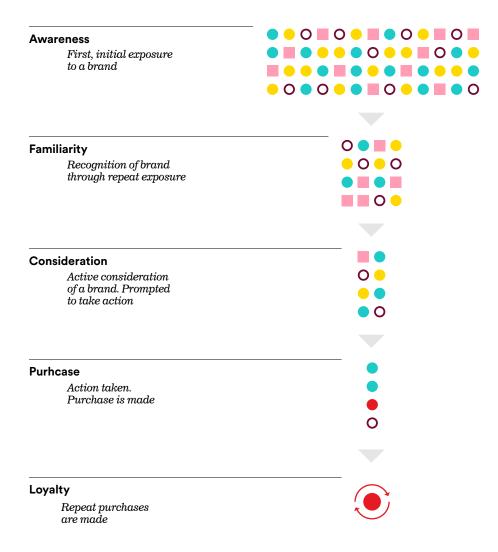
INTRODUCTION

The Internet has empowered individuals to make more informed purchase decisions than ever before. Consumers are no longer bound to billboards or television screens to tell them which products they should buy. The conversation has evolved into a two-way street—and savvy marketers must adapt to ensure they interact with consumers at every stage of this new relationship.



TRADITIONAL CONSUMER DECISION MODEL: THE MARKETING FUNNEL

The traditional consumer decision model was visualized as funnel-shaped. Marketers sought to lead the consumer down a straightforward path, slowly helping them pare down their options. The consumer started with total product ignorance, progressed to increased product awareness, and ideally arrived at the decision to purchase.



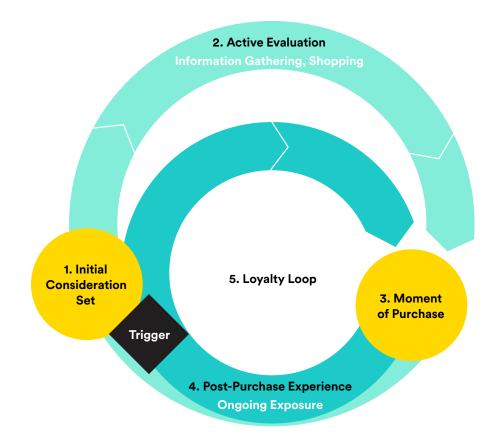


THE PROBLEM WITH THE MARKETING FUNNEL

Operating under the assumption that the marketing funnel represented the consumer decision process, brands were forced to cast a wide net, spending their advertising dollars to reach the largest number of potential buyers. Consumers were also limited to a narrow stream of information about the product choices available to them. This method wasn't working for anyone.

ENTER THE LOYALTY LOOP

The new model, called the loyalty loop, is multi-faceted, non-linear, and reflects a sophisticated understanding of the interactions consumers have while considering a purchase.





WHAT DOES THIS MEAN FOR YOU?

There are four key traits that digitally-inclined customers exhibit that marketers can leverage to move them toward the purchase decision:

1. Customers are dependent on online reviews & recommendations.

Whereas in the past people got their information on a product from direct, active marketing, most individuals are now researching products on their own in what is known as "consumer-driven marketing."



"If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the Internet, they can each tell 6,000."

Jeff Bezos, CEO, Amazon



2. Customers desire additional brand content.

Customers expect more than just the basic information about a product—they're looking to be engaged by content, delivered across channels, that provides useful information to facilitate their purchasing decision.



"The key is to set realistic customer expectations, and then not to just meet them, but to exceed them—preferably in unexpected and helpful ways...deliberately move your customers' expectations up a few notches and consistently over-deliver on your promises—you will leave your competitors struggling to catch up."

Sir Richard Branson, Founder, Virgin Group



3. Customers are always connected on mobile.

The ubiquity of smartphones means that marketers are no longer limited by time or location when trying to reach potential customers, and more consumers are interacting with a product on mobile devices at every stage of the buying process.



"People don't leave their phones more than 5 feet away from them at any point in the day. There is more access to the Internet on mobile devices than the PC globally. The mobile device has become our communications hub, our diary, our entertainment portal, our primary source of media consumption, our wallet and out gateway to real-time information tailored to our needs. The revolution is now!"

Nihal Mehta, Founding General Partner, Eniac Ventures



4. Customers expect ongoing dialogue in brand relationships.

In the past, marketing was a one-way street, from brand direct to consumer. Now, consumers expect a two-way conversation. This is an opportunity for both parties to learn more about each other before purchase.



"Spend a lot of time talking to customers face to face. You'd be amazed at how many companies don't listen to their customers."

Ross Perot, Founder, Electronic Data Systems

RECOMMENDATION

What is one way you can incorporate the loyalty loop into your marketing strategy? Keep your brand's messaging consistent across all media and marketing channels, from logo to social media to advertising. As people interact with your brand across channels and over time, you'll be winning them over with a compelling value prop.



PUT IT INTO PRACTICE

Here are tips to help you optimize your marketing channels while keeping the digital consumer and loyalty loop in mind, courtesy of our friends at HubSpot.

To build trust, you should:

» Use a sub-header on your landing pages to highlight the benefits of what you're offering, and include testimonials on the landing page and social media.

To consistently meet and exceed customer expectations, you should:

- » Figure out the best times to post for maximizing engagement and sales on social media.
- » Run re-engagement campaigns for inactive subscribers (and if they remain inactive, remove them from your list).

To maximize your impact with mobile users, you should:

- » Test your emails in multiple clients (especially across mobile devices and platforms) & tweak design accordingly.
- » Keep your blog post headlines short: 65 characters or less.

To facilitate dialogue with your users, you should:

- » Incorporate social sharing and follow buttons into your emails and thank you pages.
- » Use a secondary CTA on blog posts to convert visitors into subscribers.

LEARN MORE

Learn even more tools to effectively reach and engage with your consumers in our Digital Marketing course.

This digital marketing lesson was brought to by General Assembly. General Assembly is an educational institution that transforms thinkers into creators through education in technology, business and design at nine campuses across three continents. We are creating a global community of individuals empowered to pursue work they love, by offering full-time immersive programs, long-form courses, and classes and workshops on the most relevant skills of the 21st century – from web development and user experience design, to business fundamentals, to data science, to project management and digital marketing.

