

How to build authentic loyalty



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In my previous article about loyalty, a reader by the name of Tasneem in the comment section of the same article (<u>These customers ain't loyal... Or are they?</u>) asked for some sort of guideline to building or creative authentic loyalty.

In the same article, I made the assertion that there are two types of loyalty. The first being the no-alternative loyalty; simply explained, this is when customers or people use your services and or buy your products; not because they want to, but because they have no choice – there aren't any players in that particular market offering an alternative or choice, and if there are players, they are all the same.

The second type is authentic loyalty. Authentic loyalty is the type of loyalty where, customers and consumers have access to other offering or alternatives, but they still choose your brand, products and or services over the competition.



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So here it is – a guide to building authentic loyalty with your target market or different sets of audiences.

How to build authentic loyalty

So, how does one build authentic loyalty? Well, what is loyalty? Loyalty, as defined by the Apple Mac dictionary, is "a strong feeling of support or allegiance". The operative words being 'strong feeling'.

Loyalty is emotional. It is intangible and can sometimes not be fully explained verbally. If you were to ask anyone why they love a particular recording artist; sure, they would attempt to explain or elaborate on their loyalty, but the truth is, they will fall short of fully making someone else comprehend their love and loyalty for the artist.

If loyalty is a feeling, an emotion, and is intangible, can the tangible result in loyalty? What I mean by tangible is, for example, when businesses offer specials, sales and discounts – the lower price is tangible and therefore rational. In anything that is rational, it is easy to counter. For example, in the airline business, specifically low-cost, because the category is fully driven by price, this creates a culture or a market where people don't fly an airline brand, but fly whoever offers the cheapest flights or prices. In this space, it is very difficult to build loyalty.

In whatever you are offering or selling it is not always the things that are rational that build loyalty, but rather how you make your customers feel.

Five steps to building authentic loyalty

There are five specific ways to build authentic loyalty, where even with the plethora of options that your customers get exposed or have access to; they still choose you over everyone else. These are:

- 1. Be distinct
- 2. Believe in something
- 3. Act authentically
- 4. Be consistent
- 5. Know your people

1. Be distinct

Forget your competitors. Forget trying to out-compete them. One of the key principles of loyalty is that it is specific. Specific meaning that loyalty is established through the process of selection. People choose to commit (become loyal) to something particular. By being distinct you automatically stand for or represent something, and what you represent will attract a specific group of people.

The best way to be distinct is to establish a strong brand identity. Establishing a strong brand identity requires you to do unique and specific things. Do what only you can do. The unique things that you do or say (the words you use, your tone, how you service your customers) can range from your actions (how you treat your employees and customers) to how you visually appear (the colours you use, design, architecture – for example, FNB changed the design architecture of their branches, their branches now look more like areas of leisure than a bank.)

2. Believe in something

The thing about loyalty is that it is not for everyone – and this is quite critical to understand and know. Do you remember the Pareto rule? The eighty-twenty (80/20) rule? The rule states that eighty percent (80%) of your profits [will] come from twenty percent (20%) of your customers, meaning, not everyone will like you, let alone be loyal. Whether you believe that trees are the most important thing or that the world needs more hugs than apps, whatever it is, it will help you attract the right people that will not only like you, but be committed – being active to the very same things that you believe in.

3. Act authentically

Loyalty is a reactive-proactive emotion. Reactive meaning that loyalty is a reaction to something. Loyalty cannot be instructed upon. People become loyal or commit to you based on your actions. Those who are loyal are in truth reacting to your actions. This means that you need to say and do things that are ethical and in line with who you are or what your brand stands for. If you believe or say that people are important, then you need to do things that prove this. For example, if a customer is dissatisfied with a product that they bought and they try to return it, don't argue with them and try to establish

whether they are lying or not, just refund or give them another product. Keep your promises.

4. Be consistent

In everything you say, promise or believe in, let your actions transmit a consistent message. Loyalty is a process. As mentioned earlier, loyalty is a feeling, and emotion, therefore it needs to be thought of as a process. Be consistent in every single thing that you say you are. In fact, what you do will either override or emphasise what you say.

5. Know your people

It is imperative to know your people; both the people who work for you and the people that are served by the people who work for you. Any human-to-human relationship that is long lasting is based on the premise that either party knows and understands each other.

Many companies swim in a lot of data that they don't use efficiently. Use your data to better serve your customers.

In conclusion

If you noticed, in the process of building authentic loyalty, there was no mention of a loyalty card. Why? Well, again, loyalty is a feeling and cannot be bought. Loyalty is therefore what you do and say and not what you sell. Loyalty cannot be bought. Besides, loyalty programmes are tangible and are short-term solutions that inevitably don't bring authentic loyalty. With that said; Discovery's Vitality is one of the best loyalty or rewards programme that offers tangible benefits, but the reason that it is so successful is that it is deep-seated in a higher purpose that is emotionally anchored.

Loyalty cards are a habitual reaction. There's plenty of research that show or prove that many people do not redeem their points accumulated, and the reason for this is simple, loyalty cards create people who are reactionary and don't have an emotional investment to the process. They are doing so in order to benefit short-term.

People therefore become loyal to process (buy, swipe card and get points – this makes them feel like they are instantly getting something in return), and not necessarily your brand.

In an international study done; "...89% of consumers agree that good service makes them feel more positive about the brands they engage with..." (<u>Verint.com</u>, 2015).

Any relationship hinged on loyalty is defined by key social principles like understanding, care and knowledge of the other.

Summary

Authentic loyalty is the type of loyalty you want for your brand, company or business. This is the type of loyalty where, even with the choice or option of choosing anyone else, people resist everyone else and emphasise choosing you.

The best way to build this loyalty is be distinct or different. To do and say things that are unique. You need to believe in something. Believing in something enables you to attract the right type of people who will not only commit to you, but they will actively participate in your world.

Loyalty is not for everyone and therefore don't try to be everything to everyone.

Once you have established a differentiated and unique identity and believe in something; you need to live and breathe that purpose and act it out both authentically and consistently.

As a result, this creates real value for people. Value that no plastic card can store, but only the heart can.

ABOUT BOGOSI MOTSHEGWA

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