

MARKETING

Future of brand innovation depends on post-sale engagement

February 19, 2021



Brand relationships are ongoing, interactive processes between customer and brand. Image credit: Getty

By NORA HOWE

As the global pandemic upended the traditional business growth model, 2020 saw a shift from constant acquisition of prospective customers to targeting existing audiences and increasing brand retention.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

According to research by advertising consultancy R/GA, brands are looking to build healthy, lasting, two-way relationships with their customers. The "[Power of Brand Relationship Design](#)" report examines what makes a long-term customer, and identifies strategies brands can leverage to create and enable more impactful exchanges.

"Our research found that like never before, customers are buying products and services to solve problems, conquer personal goals, and live happier lives," said Paul Turzio, senior vice president of data and marketing sciences at R/GA, New York. "Today's brands have the opportunity to help customers achieve these desired outcomes.

"They can, and should, empower customers to: solve real problems and reduce obstacles, pain points, friction and irrelevance; establish, maintain and restore control; and connect with others and feel a sense of belonging."

From June to September 2020, R/GA surveyed nearly 16,000 consumers in the U.S., U.K., Germany, Australia, China, Japan, Singapore, Argentina and Brazil across 15 service verticals, and focused on six: ecommerce, personal care and beauty, consumer technology and electronics, credit cards, quick service restaurants and health and fitness.

R/GA also conducted external interviews with subject matter experts and industry stakeholders. Its goal with the report was to understand how brand relationships are evolving across these six product/service verticals and what it takes to create the most optimal post-purchase customer relationship.

Market insights

According to the report, 75 percent consumers said they not only enjoy, but expect, a seamless experience across all devices and channels. When a service, such as fast shipping or streamlined shopping, becomes expected, the offering itself loses its competitive advantage.

Customers crave more than a quick transaction and functional product. For instance, 64 percent want their experiences to be more than just a seamless delivery of goods, and 66 percent purchased their product based on the

brand experience enabled by the product.



Gucci partnered with social app Zepeto in a gaming-centric push to engage consumers. Image credit: Zepeto

In terms of product satisfaction, R/GA found that customers are most susceptible to buyer's remorse their first time using the product and the moment right after, when looking for ways to properly utilize it. Almost half, 48 percent, of consumers said their initial experiences were not completely positive.

Buyers turn to customer service or online tips for help, and a significant portion of those customers experienced further issues and problems that prevented them from ultimately having a positive experience.

R/GA recommends that all brands should aim to reduce the "time-to-mastery" period the time spent between unboxing a new product and understanding how to use it to zero.

When asked to rank a series of service features in order of purchase importance, respondents placed customer support (96 percent), flexible customer service (95 percent) and real-time communication and delivery tracking (93 percent) as the top three criteria.

In terms of data personalization, the study found that 87 percent of respondents are looking for some degree of recommendation or curation from the brands they're buying into, and 79 percent said they would be interested in an interactive, one-to-one concierge experience for support, insight and future recommendations consumers who are actively looking to form a personal relationship with a brand.

The loyalty program, the common go-to strategy for long-term engagement, is broken, according to R/GA. Loyalty programs sound great, but fail to create any actual loyalty, as 88 percent of research respondents said they were important, but only 13 percent of them would sign up for one post-purchase.



Sephora's Beauty Insider program celebrates and fuels its members' passion for all things beauty. Image credit: Sephora

Consumers buy products to help them fulfill personal goals, believing that the achievement of these goals will make them happy. According to the report, 20 percent of consumers said they were achieving a personal goal, and 39 percent of consumers said that their priority is to be happy.

R/GA suggests that assistance, education, rewards and community can all be deployed in service of helping a customer reach their goals. The report also discovered that, in response to what causes consumers want to see more brands supporting, 52 percent said the environment, 51 percent said mental health and 48 percent said physical health.

"An unintended side effect of this swift digital transformation is a flattening of the internet in both functionality and appearance," Mr. Turzio said. "And the relationships that surround brands have become automated, uniform and robbed of personality."

"With so much emphasis placed on experience, disappointing a new customer can result in years of lost subscription revenue, usage, and additional purchases," he said. "That's why having a strong post-purchase experience strategy is crucial."

Luxury innovation

As the digital transformation continues to elevate consumer demands, brands have risen to the challenge with "outside the box" creative strategies as well as personalized consumer experiences, ultimately fostering mutually beneficial relationships with their consumers.

Italian fashion house Gucci integrated a virtual avatar creator into its app, enabling customers to design their own avatar, try on Gucci goods and accessorize with digital products ([see story](#)). Gucci's avatar-based shopping experience not only helps customers see what the product looks like on themselves, but it also supplies the brand with customer data to utilize post-purchase.

Chanel's beauty workshop Atelier Beaut CHANEL offers helpful services like one-on-one video makeup tutorials with a master artist, and skincare routine consultations with an expert beauty guide ([see story](#)). After a consultation, beauty guides post a custom skincare regimen to the customer's profile, and build a personalized sampler kit for customers to try out at home.

"Luxury consumers not only have higher expectations for seamless experiences, but are much more eager for a profound relationship with a brand in the moments after purchase," Mr. Turzio said. "They have large appetites for interactive educational content, communication and being a part of the brand's overall community."

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.