

The News and Intelligence You Need on Luxury

RESEARCH

Simplicity No. 1 priority in multichannel marketing: study

December 28, 2011



By RACHEL LAMB

Simplicity is one of the most important factors for consumers deciding when and how often they interact with brands across all channels, according to findings from the 2011 Global Brand Simplicity Index by Siegel+Gale.



Brands should start to care about increasing the simplicity to their interactions, stemming across multiple industry categories. Luxury brands especially should take heed, but be sure not to lose the exclusivity factor that is necessary for high-end brands to stand out in online mediums.

"One lesson for luxury brands is to also be considered and exclusive in their marketing and not over-communicate," said Brian Rafferty, global director of customer insights at Siegel+Gale, New York.

"One issue that these brands do face in terms of simplicity is the exclusive nature of a luxury brand: if consumers feel a brand is 'not for me,' they see it as less simple," he said. "Balancing the aspirational aspect of luxury with accessibility is key to broad success with consumers."

Audi laudi

The highest-ranking luxury brand was Audi in the 21st place and was also the leader bracket.

Audi received high marks for its content and the avenues it chose for communication, according to the study.

Another winner was BMW, which came in at No. 34.

"As one consumer qualified a high score for BMW, 'I don't get too much correspondence so when they do send you something, you bother to look at it. And it's usually nice to look at," Mr. Rafferty said.

"Brands should care about increasing the simplicity of their interactions, communications and products, as consumers are not only willing to pay more but will also be much more loyal to a brand that offers greater simplicity," he said.

In fact, between 68 percent-91 percent of people are more likely to recommend a simpler brand, according to Mr. Rafferty.

The highest-ranking brands were Netflix, Google, Amazon, Target and Publix, respectively.

The lowest-ranking brands were General Electric, Ryanair, Enterprise, Allianz and Peugeot.

Netflix was awarded the highest spot because of its ability to interact with consumers in a simple and easy matter, and allowing members to do the same with the same type of ordering and delivery service.

On the other hand, lower-ranked Groupon may be a fad since it has yet to develop a simple transaction model, according to Mr. Rafferty. Consumers consistently complained about the many steps it takes to purchase.

Retail details

When asked on which channels consumers were most interested in being communicated with, it was a toss-up between online and in-store.

There are some real learnings for both retail channels, Mr. Rafferty said.

The win for in-store is that the return process is "overwhelmingly simple," according to Mr. Rafferty.

Finding the highest quality is also simpler in-store, making this channel the go-to place for luxury and high-ticket items.

Meanwhile, where online wins is enabling people to make price comparisons and secure the best prices.

Although price is not a problem for affluent consumers, most people enjoy finding bargains nonetheless.

That said, luxury marketers must be careful to transfer the ultimate in-store luxury

experience onto online channels to deliver a seamless experience.

"To not lose the exclusive and aspirational aspect of the brand, luxury brands need to choose appropriate venues for online advertising that do not clash with the premium nature of their offerings," Mr. Rafferty said.

"Second, they must need to find better ways to convey quality and workmanship to consumers online, rather than in store," he said.

"In the same way that luxury brands offer premium products, they need to offer premium online experience by making creative use of technology to showcase the beauty, craftsmanship and quality of their products."

Final Take

Rachel Lamb, associate reporter on Luxury Daily, New York

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.