

MARKETING

Brands need better data to keep consumers loyal: report

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Just 30 percent of consumers believe they're receiving personalized information from brands, while 92 percent of digital professionals say they are invested in personalization. Image credit: iStock

By AMIRAH KEATON

Experts are exposing the sizable gap between brand intent and customer experience, a disparity that is undoubtedly costing companies the opportunity to enhance relationships with clients.

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Just 30 percent of consumers believe they're receiving relevant, personalized information from brands, while 92 percent of digital professionals say they are invested in personalization, according to "Forrester x Resonate | What It (Really) Takes to Keep Customers Faithful," a joint webinar from the leading market research firm and consumer intelligence platform. The informative digital event emphasized the use of not *more*, but *better*, data, to gain a deeper understanding of the customer, thus creating seamless individualized experiences that keep them brand loyal.

"When creating relevant and personalized experiences, companies often claim they already know their customers well enough to accomplish this goal," said Forrester, in a report summary.

"But too often they use the same list of banal customer data categories to get equally banal business results. The outcome: They don't understand the required 'conditions' to win and retain a customer's love of the brand and that customer's initial and ongoing business."

Conditional Love: What It Really Takes To Keep Customers Faithful, the report upon which Thursday's webinar was based, results from nearly a year and a half of research and development headed by Brendan Witcher, vice president and principal analyst at Forrester.

From segmentation to personalization

"Forrester x Resonate | What It (Really) Takes to Keep Customers Faithful" outlines the importance of getting to know the consumer in and out, lending insights that are aptly applicable in a competitive luxury market.

The webinar begins by establishing the value of a great customer experience, Mr. Witcher asks whether a consumer, in preparing for a large gathering with a visit to their grocery store of choice, would ever proceed without a shopping cart.



Brendan Witcher, vice president and principal analyst at Forrester and report author. Image credit: Forrester

He suggests that an afternoon spent strenuously balancing various items would trump advantages like familiarity with the store's layout or the ample availability of products, introducing the analogy to argue that in many cases, a strong customer experience stands out as the true brand differentiator.

Getting this experience right matters, and Forrester suggests that data is the vehicle digital professionals should be using. By using the simple phrase "if we knew x, we could do y," Mr. Witcher lays out the foundation of data strategy upon which his report builds.



AI-driven consumer data and intelligence platform Resonate delivers a comprehensive understanding of the U.S. consumer. Image credit: Resonate

The report's primary revelation, a framework dubbed the 6C strategy, is introduced midway through the seminar and lists the questions all brands should be asking to gain customer learnings in six stages characteristics, considerations, curiosity, conditions, context, and conceptions.

Forrester argues that while many brands already employ the characteristics phase through barebones demographic segmentation, leaders should level up to the considerations stage to analyze a customer's intent as well as their profile. Here, Mr. Witcher expands on the concept of a consideration rate, prompting brands to discover what customers looked for and did not find when they, say, stopped into a store or visited a site without converting.

Other phases detailed include curiosity, or how specific a brand can hone in on what a customer wants (a difference between being presented with vegan versus leather options, for example, in the case of a jacket purchase) as well as conditions, or pain points that the consumer's choice may hinge on (if a consumer knows their porch isn't a safe destination for delivery, for example, the absence of an in-store pickup option may ultimately deter a purchase).

The session closes out on the importance of a unified front in creating a seamless customer experience 82 percent of employees cite organizational siloes as the inhibitor of organizational transformation. Mr. Witcher also calls out CRM as a specific tool and starting point for brands who are looking to learn more about their customers.

Luxury brands lean in

The Forrester x Resonate webinar proves that the ability to build relationships with the consumer lies not in pursuing a greater volume of data, but in the ability to obtain better data. This information will allow brands to "surprise and delight" consumers in ways that are increasingly relevant to them over time.

For luxury brands, the requirement is intensified, as marketers are tasked with gaining an understanding of shoppers with higher household incomes. Resources like consulting firm Luxury Institute's July white paper, offering comprehensive insights on the wants and needs of ultra-high-net-worth (UHNW) individuals across areas like purpose and values, health, wellness and longevity and privacy and security, help with this undertaking ([see story](#)).

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