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Story

Brand Keys: Amazon Is 2011's #1 Loyalty Leader

Karlene Lukovitz, Sep 12, 2011 08:00 AM

Brand Keys' new, 2011 Customer Loyalty Leaders Index shows Amazon having displaced Apple's iPhone in the #1 spot.

2011 Top 10 Loyalty Leaders

Brand	Category	2011	2010
Amazon	online retail	1	7
Apple	smartphone	2	1
Facebook	social network	3	N/A
Samsung	cell phone	4	2
Apple	computer	5	5
Zappos	online retailer	6	N/A
Hyundai	automotive	7	6
Kindle	e-reader	8	N/A
Patron	tequila	9	N/A
Mary Kay	cosmetics	10	20

"Brand loyalty has always been primarily driven by emotion," points out Brand Keys founder and President Robert Passikoff, adding that this year's rankings again demonstrate that "consumers seek to emotionally connect with brands that actually stand for something, and to connect with each other, too."

Other highlights from this year's results, based on Brand Keys' tracking of 528 total brands across 79 categories, via surveying of consumers who have identified themselves as buyers of products within the categories:

- Among the brands showing the largest jumps in ranking: Starbucks (now at #100 vs. #452 last year); Skechers (#99 vs. #388); Ford (#86 vs. #323); and Overstock.com (#91 vs. #241).
- Among the brands showing the largest losses in ranking: Nokia (now #84 vs. #21 last year); BlackBerry (#60 vs. #9); Chanel cosmetics (#74 vs. #51); Eucerin moisturizer (#46 vs. #23); True Value (#76 vs. #55); and Three Olives Vodka (#43 vs. #25).
- The 10 lowest-ranked brands among all 528 tracked in 2011 (#s 528 through 519, in order): Borders, American Apparel, Taco Bell, NHL, Tylenol (OTC allergy), BP, Friendster, Budweiser, Dr. Pepper and Bank of America.
- Beauty brands (cosmetics, moisturizers, teeth whiteners, hair color, shampoo) account for 16 of the top 50 (32%) and 23 of the [top 100](#) loyalty leaders.

Beyond Mary Kay at #10 (up 10 positions vs. 2010), cosmetics leaders include Maybelline (#14, up two); Estee Lauder (#27, down eight); Clinique (#34, down 12); Avon (#36, down nine); L'Oreal (#37, down five); Max Factor (#40, up 12) and Cover Girl (#47, unchanged). Lancome is the leader both in luxury cosmetics (#31, down three), and the luxury facial moisturizers (#48, down seven).

Leaders in other beauty categories: teeth whiteners, Crest Whitestrips (#11, new to list); hair color, L'Oreal (#18, up 13); facial moisturizers, Mary Kay (#28, down eight); skin moisturizers, Eucerin (#46, down 23); shampoos, Suave (#72, new to list, and the only shampoo in the top 100).

- Technology brands account for 20% of the top 50 -- down a bit since last year. Three social networks (a category added this year) were in the top 25. In addition to Facebook at #3, Twitter and LinkedIn came in at #20 and #24, respectively.

Tech brands with multiple products making the rankings include Samsung (computers at #44, smartphones at #57, HDTV at #80, in addition to cell phones at #4) and Apple (computers at #5, as well as the iPhone smartphone at #2).

Kindle rules among e-readers (#8, new to list, vs. #52 Nook, also new to list); and Google rules among search engines (#16, up five, vs. runner-up Bing at #30, down 15).

AT&T and Verizon are the only wireless providers in the top 100, respectively at #79 (up 32) and #93 (down 14).

- Retail brands account for 16% of the top 50 -- about the same percentage as last year, although many declined in their rankings this year. This, suggests Brand Keys EVP brand development Amy Shea, likely reflects retailers struggling to differentiate themselves on more than price in a still-struggling economy.

In addition to Amazon, retailers in the top 50 include online retailer Zappos (#6, new to the list); Wal-Mart (#13, down 10 positions vs. 2010), J. Crew (#21, down eight); Target (#33, down seven); Sam's Club (#38, down nine), Kohl's (#44, unchanged) and BJ's (#50, down seven).

- Alcohol brands account for 12% of the top 50 -- again, the same as in 2010. No beer brand made it into the top 50 this year (although Sam Adams ranked #58). Among spirits in the top 50, Patrón tequila led the pack (#9, new to list), followed by Grey Goose vodka (#15, down 11 positions); Ketel One (#17, down three); Don Julio tequila (#29, new to list); Sauza tequila (#41, new to list); Three Olives vodka (#43, down 18) and Stolichnaya vodka (#45, down 10). Further down within the top 100, Chopin vodka is #51 (up 14); Rain vodka #63 (down 18); Ciroc #65 (up a notable 50); Skyy vodka #69 (up one) and Jose Cuervo tequila #81 (new to list).
- Among automotive brands, only Hyundai made the top 50 (#7, down one position), and only three made the top 100.

Toyota dropped to #59 from #37, but given its recalls and the effects of Japan's tsunami and the economy, it could have been significantly worse, observes Passikoff. The brand's strong historic loyalty performance came into play in the form of the "Loyalty Rule of Six" (loyal consumers are six times more likely to give a brand the benefit of the doubt in uncertain circumstances), he says.

The third automotive brand in the top 100, as noted, is Ford, with its 237-position leap to #86.

- Food/beverage and restaurant brands are relatively scarce within the top 100.

Dunkin' Donuts again won the coffee battle -- up two positions, to #12. Second-place McDonald's coffee lost eight positions, to rank #26. As noted, Starbucks coffee leaped 352 positions, but at #100, is still a distant third in loyalty terms.

Frosted Flakes is the highest-ranking kids' breakfast cereal (#35, down 11), followed by Lucky Charms (#67, unchanged) and Wheaties (#82, down four). Among adult cereals, Cheerios (#77, unchanged) and Special K (#83, up 13) made the top 100.

Two QSRs made the top 100: Domino's Pizza (#89, up 29) edged out McDonald's (#90, up 19).

The Brand Keys index rankings are based on interviews of adults 18 to 65, drawn from the nine U.S. Census regions, self-selected for the categories in which they are consumers. Seventy-five percent were interviewed by phone, 20% face-to-face, and the remainder online. According to Brand Keys, the model and rankings are 100% consumer-driven and are independently validated, predictive leading indicators of brand and corporate profitability.