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**PRESS RELEASE
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Brand Keys Loyalty Leaders List 2016

**Digital Brands and Online Access Define Loyalty for Consumers
Google, Amazon, Apple, Netflix, Facebook, and YouTube Lead**

Dunkin', Nike, Ford, and Starbucks Only 'Traditional' Brands in Top 20

NEW YORK, NY October 17, 2016 – More than a third (35%) of the 2016 Brand Keys Loyalty Leaders are represented by digital technology, social networking brands, or brands that facilitate digital tech or social networking was the key finding in the 20th annual survey conducted by Brand Keys (brandkeys.com), the New York-based brand and customer loyalty and engagement research consultancy.

The shifts in loyalty leadership have been monumental this year," said Robert Passikoff, Brand Keys founder and president. "And while digital brands not only represent the lion's share of this year's list, they also command 80% of the top 20 loyalty leaders spots as well.

Loyalty Is a Gift and a Curse

"Consumers haven't entirely deserted traditional brands," noted Passikoff. "The largest loyalty shifts this year have actually been in more traditional areas like apparel retail and athletic footwear, which for brands turns out to be both a gift and a curse." Gift-wise loyalty is a leading-indicator of positive consumer behavior toward brands.

The "curse" aspect means it is getting more difficult for non-digital brands to create the kind of emotional engagement that resonates with consumers' desires for connection and distinction, while tailoring themselves to ever-increasing consumer expectations regarding customized products, services, and experiences.

"This environment forces brands to work harder to create emotional engagement – the ability for a brand to be seen as meeting consumers' ever-growing, emotional expectations for their Ideal, brand in whatever category the brand competes. Today emotional engagement is the predictive yardstick for loyalty, market share, and profitability," said Passikoff. "Want to know what consumers are *going to do*? Measure loyalty and engagement."

2016 Top 20 Brand Keys Loyalty Leaders:

(Numbers in parentheses indicate last year's brand ranking)

1. Google: search engines (#6)
2. Amazon: online retail (#8)
3. Apple: tablets (#4)
4. Netflix: video streaming (#1)
5. Facebook: social networking (#5)
6. Apple: Smartphones (#3)
7. Amazon: tablets (#2)
8. YouTube: social networking (#7)
9. Amazon: video streaming (#10)
10. WhatsApp: instant messaging (#9)
11. iTunes: video streaming (#13)
12. PayPal: online payments (#18)
13. Dunkin' Donuts: coffee (#17)
14. Samsung: smartphones (#11)
15. Nike: athletic footwear (#31)
16. Ford: automotive (#22)
17. Uber: app-based rideshare (#21)
18. Starbucks: coffee (#40)
19. LinkedIn: social networking (#16)
20. Zappos: online retail (#12)

Loyalty's Rule of Six

This year Brand Keys examined 635 brands in 72 categories. To compound the challenge of rising to the top 20, this year a number of brands were represented in multiple categories, as was Amazon (which appears in the top 20 in three categories: Online Retail, Tablets, and Video Streaming). Google, which moved up five spots to rank #1 this year, was represented in both Search and Online Payments. Apple was rated highly in the Tablets, Smartphones, and Video Streaming categories.

"The kind of loyalty generated by those brands means consumers are six times more likely to use the brand's products and services in other categories, which makes it harder for others to break into the top 100, let alone the top 20," noted Passikoff.

Category Loyalty Leaders. Digital and . . .

Digital technology, social networking brands, and brands that facilitate digital technologies and social networking had the most Loyalty Leader brands, and represented 35% of the 2016 list. Other categories represented by Loyalty Leader brands included:

- Retail: 17%
- Beverages: 9%
- Automotive: 8%

- Cosmetics: 8%
- Financial: 6%
- Restaurants: 6%
- Travel: 4%

Nine New Brands Replace Nine Old Brands

“This year nine of the top 100 Brand Keys Loyalty Leaders are represented by new brands,” noted Passikoff. Four are digital: Airbnb (#52), Line (#72), theSkimm (#76) and BuzzFeed (#95). The remaining five new entrants include: Häagen-Dazs (#85), Jack Daniels (#92), Burt’s Bees (#96), Lowe’s (#99), and Vanguard (#100).

Brands that slipped from the top 100 include *all* hotel brands that had made last year’s list: Ritz-Carlton, W Hotels, Hyatt, and Hilton. “That presents a partial explanation of Airbnb’s spectacular first showing,” noted Passikoff, Other brands that fell from this year’s top 100 include Neutrogena, Revlon, Macy’s, FIFA, and HTC Smartphones.

2016’s Biggest Loyalty Winners

Loyalty and emotional engagement are leading-indicators of consumer behavior toward a brand. That equation looks like this: *Loyalty + Emotional Engagement = Positive Consumer Behavior*. Axiomatically, the better consumers behave toward a brand, the better the brand does in the marketplace, which ultimately shows up on brands’ bottom lines. This year the seven brands (including ties) that showed the greatest loyalty leadership gains were:

- Starbuck’s (+22 to #18)
- Ralph Lauren (+19 to #24)
- Nike (+16 to #15)
- LG (+15 to #31)
- Domino’s (+15 to #43)
- HBO GO (+15 to #63)
- Under Armour (+13 to #28)

The Biggest Loyalty Losers

The five brands with the greatest loyalty erosion still remaining in the top 100 include:

- Chipotle (-45 to #68)
- Estee Lauder (-34 to #87)
- eBay (-26 to #64)
- Clinique (-21 to #97)
- GAP (-20 to #93)

The bottom line, no matter the category, brands that understand that emotional connections serve as surrogates for added value, have succeeded. “And brands that have made loyalty and emotional engagement a strategic priority,” noted Passikoff, “always appear high on the Loyalty Leaders List, and always appear at the top of consumers’ shopping lists.”

Methodology

Brand Keys Loyalty Leaders analysis was conducted in September 2016 and includes assessments from 42,792 consumers, 18 to 65 years of age, from the nine US Census Regions, who self-selected the categories in which they are consumers and the brands for which they are customers. Seventy-five percent (75%) were interviewed by phone, 20% via face-to-face interviews (to account for cell phone-only consumers), and remaining consumers assessed categories and brands online. The 2016 Loyalty Leader assessments examined 72 categories and 635 brands.

Unlike economic use models, which rely heavily on historical data and profitability conjecture, the Brand Keys Loyalty and Engagement Model and rankings are 100% consumer-driven, and are predictive, leading-indicators of brand and corporate profitability. “The good news is that brand loyalty is understandable. The better news is, it can be quantified and predicted,” said Passikoff. “And, today, knowing what’s coming down the road from a category and competitive perspective is an extraordinarily powerful advantage that brands shouldn’t really pass up.”

For the complete top 100 2016 Loyalty Leaders List, please visit:

<http://info.brandkeys.com/acton/attachment/943/f-006a/1/-/-/-/-/2016%20Loyalty%20Leaders%20-%20Top%20100.pdf>

For more information regarding the Brand Keys 2106 Loyalty Leaders List, your brand’s position on the list, or general information about integrating predictive loyalty and emotional engagement metrics into your marketing and research efforts, contact: Leigh Benatar at leighb@brandkeys.com or 212-532-6028.