

ADMAP

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Building Brand Loyalty in the Digital Age



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Using digital media to build brand loyalty

In a complex digital marketplace, building brand loyalty requires an understanding of how consumers engage with different platforms.

Robert Passikoff of **Brand Keys** details a research methodology that can measure how different media and digital devices contribute to building brand loyalty in the salty snack category

Nearly five decades ago, Neil Postman, American professor, media theorist and cultural critic, predicted the coming of what he termed 'media ecology'. Postman noted, "media ecology looks into the matter of how media of communication affect human perception, understanding, feeling and value", which astoundingly reflects the concerns modern marketers are faced with, albeit with regard to how consumer brand loyalty is facilitated by media and cross-media consumption.

Almost 10 years later, communications theorist Marshall McLuhan confirmed Postman's hypothesis, stating that a "media ecology means arranging various media to help each other... to buttress one medium with another to help the advertised product or service", which even more astoundingly sounds like the current conundrum regarding the measurement of the digital world (and cross-media consumption) and the effect it has on consumer engagement,

brand loyalty, and, more importantly, sales.

One can argue about the precise date when this media ecology finally arrived in its full-blown complexity, or the continuum upon which the digital environment migrated. But what is incontrovertible is that a real, twenty-first century media environment, where consumers are virtually cocooned by – or have access to – media of one sort or another on a 24/7, 365 basis, has arrived, and that media planning for this environment is more complex than ever before. The need for a real measure of digital media/cross-media consumption has been further amplified by the rapidly evolving expectations that consumers demand digital media provide, because where you advertise your brand will have direct effects on brand loyalty.

Yes, it is true that some digital platforms are more practicable than others. Some have bigger audiences and thus are more cost-effective. Each digital touchpoint argues that it incorporates a unique set and subset of values, nuances, and capabilities to communicate, inform, and persuade, and, ultimately, build brand loyalty. Media planners have honed their skills and technologies to the point where they can 'reach out' to any audience a brand desires, parsed finer and finer. But whether they 'touch' these audiences, whether they engage these audiences, whether they make them more loyal to the brand is an entirely different story.

Happily, brand loyalty research identifies the contributions that platforms – digital,

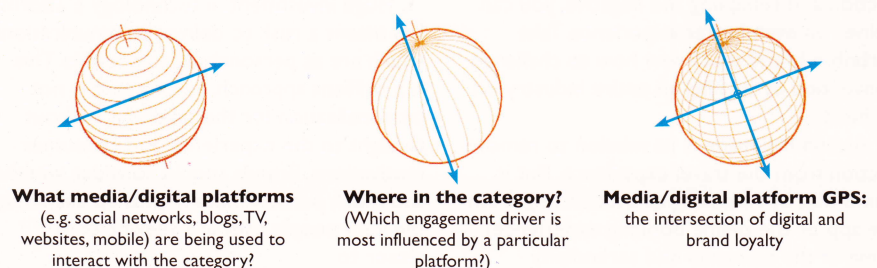
traditional, or in combinations with each other – make when it comes to creating brand engagement in a particular category. Platform contributions to brand engagement can be positive, negative, or neutral and have been validated to be the best indicators of actual brand loyalty, showing up as real consumer behaviour in the real marketplace.

For the study that follows, Brand Keys used an engagement-based assessment, a digital platform GPS that 'fuses' emotional and rational values that govern brand engagement and loyalty. It is a combination of indirect, psychological enquiry and higher-order statistical analyses. The questionnaire has a test-retest reliability of 0.93 from national probability samples in the US and UK and has been used in B2B and B2C brand strategy and media scenarios in 30 countries (Figure 1).

This approach to digital loyalty recognises that consumers engage with different media platforms differently, dependent upon how they engage in the category. It pinpoints the intersection of brand loyalty and a media platform, enabling brands to get very specific in loyalty messaging and very strategic in media platform choice. When used to assess media platforms, the analysis identifies the percentage contribution each media option makes to loyalty, expressed as positive behaviour towards the brand in the real-world marketplace.

The output element critical to digital loyalty analysis is the identification of the percentage contribution made to engagement,

FIGURE 1: DIGITAL PLATFORM GPS



loyalty, and sales by the media platforms used by the brand. For this article, six individual digital platforms that were used in an actual campaign to be consumed, seen, viewed, read, experienced – individually and in combination with one another – were assessed for the category in which the client-brand competes, namely Salty Snacks (boxes).

The model acknowledges that relying upon cross-media consumption on a 'time spent' interaction basis would produce limited insights in terms of cross-media-generated consequences. This is equally true when relying on some assessment mechanism based on identifying media touchpoints that consumers love, trust, find educational, or even think inspiring.

What's more, inferences made on the basis of percentage of the media budget allocated to various touchpoints may be acceptable for some allocation exercises, but not for understanding loyalty effects. This approach 'equalises' these media platforms on those bases, and the combined output allows marketers to better understand media consumption (as opposed to allocation).

The first step was to identify the percentage contribution of the individual digital platforms as regards their ability to build brand loyalty for the category – more specifically, for the 'Ideal Salty Snack' (Figure 2).

For the next step we calculated the summative percentage contributions of the digital media according to respondents who reported where they had seen advertising for a particular snack brand in the past 60 days. They were also asked to indicate how many boxes of the Salty Snacks they had seen advertised and which they had also purchased

FIGURE 2: PERCENTAGE CONTRIBUTION BY MEDIUM TO BUILDING BRAND LOYALTY IN THE SALT SNACK CATEGORY

Tablets	23%
Blogs	18%
Smartphones	17%
Digital magazines	12%
Social networks	11%*
Search	6%

* Percentage represents an aggregation of social networking venues, i.e. Facebook, Instagram, Twitter, etc. Via this approach it is possible to examine the values for individual venues as well

FIGURE 3: SUMMATIVE PERCENTAGE CONTRIBUTION BY MEDIUM

Digital consumption	Summative loyalty % contribution
Tablets	23%
Smartphones	17%
Digital magazines	12%
Social networks	11%
Tablets + digital magazines	35%
Tablets + social networks	34%
Smartphones + social networks	28%
Tablets + digital magazines + social networks	46%
Tablets + search + blogs	47%

FIGURE 4: LOYALTY EFFECTS VIA AVERAGE 60-DAY PURCHASES BY MEDIUM

Digital media consumption	Summative % contribution to brand loyalty	Average 60-day purchases (box)
Tablets	23%	5
Smartphones	17%	4
Digital magazines	12%	4
Social networks	11%	3
Tablets + digital magazines	35%	5
Tablets + social networks	34%	5
Smartphones + social networks	28%	6
Tablets + digital magazines + social networks	46%	6
Tablets + search + blogs	47%	7

in the same time period. Figure 3 identifies the nine consumption segments with sufficiently large user samples (250+).

The analysis included the calculation of correlations for digital media consumption and loyalty effects to the brand via the average 60-day purchases reported by the nine digital media consumption segments (Figure 4).

Correlations with digital advertising consumption and its summative contribution to loyalty, calculated for average consumption-segment past 60-day purchases, was found to be 0.883. This correlation – beyond its statistical potency – is of great importance in what has turned into an increasingly complex mediascape when it comes to actually building brand loyalty. Although the values were calculated on the basis of the 'Ideal Salty

Snack', it is clear that with some fine-tuning it could be used to create a brand-specific loyalty-based digital value equation.

Through additional diagnostics, marketers can not only identify the impact digital media has on building loyalty for a brand, but also how – and in what way – the digital outreach combinations work from a strategic brand management perspective. Digital media can then be allocated on a more synergistic and efficient basis, which, in a more complex marketplace, with more digitally literate consumers, will become increasingly critical to building brand loyalty in a digital age.

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