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**BRAND KEYS 2019 CUSTOMER LOYALTY ENGAGEMENT INDEX
IDENTIFIES SECRET TO LASTING LOYALTY**

Loyalty Engages Customers, Engenders Trust, Guarantees Brand Profitability

NEW YORK, NY FEBRUARY 4, 2019 – Brand Keys research finds that consumer expectations increase annually on average 25%. “Trust has become the connective tissue between brands and loyalty,” said Passikoff. “Expectations for trust are up across all product/service categories and brands an average of 250+% year over year. Meanwhile, customer concerns regarding privacy, security, and brand transparency have reached a tipping point.”

Top 10 Brands That Know The Secret of Loyalty

“Brands looking for guaranteed profits, can’t do better than loyal customers,” noted Robert Passikoff, president of Brand Keys. This year’s 2019 CLEI identified 10 brands regularly #1 in their categories, some from the time the category was established. “The following brands are perennial loyalty and engagement stars.”

Discover Card - Credit Cards: 23 years

Avis – Car Rental: 20 years

Google – Search Engine: 19 years

Domino's – Pizza: 15 years

Dunkin' – Out-of-Home Coffee: 13 years

Konica Minolta – MFP Office Copiers: 12 years

Hyundai – Automobiles: 10 years

AT&T Wireless – Wireless: 10 years

Amazon.com – Online Retailer: 10 years

Amazon Kindle – E-Reader: 9 years

Meeting Expectations + Brand Trust + Emotional Engagement = Lasting Loyalty

“Today, loyalty is a fusion of emotional engagement, trust, and an ability for a brand to engage; to meet or exceed expectations consumers hold for their Ideal product or service. The brands on top of this year’s category lists know that,” said Passikoff. “More importantly they know how.”

Loyalty's Fiscal Bottom Lines

"Marketers relying on a definition of 'loyalty' and 'engagement' as something they'll recognize when it impacts their brands will be disappointed," said Passikoff. "Brand awareness is not loyalty; satisfaction is not loyalty; entertainment is not loyalty."

In 2019, and for the foreseeable future, there are three concrete fiscal realities of loyalty and engagement that marketers should keep in mind:

- It costs 9 to 11 times more to recruit a new customer than to keep an existing one.
- An increase in loyalty of only 7% can lift lifetime profits per customer by as much as 85%
- Depending upon the sector, an increase in loyalty of just 3% is equivalent to a 10% across-the-board cost reduction program.

A complete list of the 2019 CLEI's loyalty and engagement winners can be found at:

<http://brandkeys.com/portfolio/customer-loyalty-engagement-index>

"Decision-making *has* become increasingly emotionally-driven over the past decade," said Passikoff. "But the addition of increased expectations for brand trust has radically altered the category landscape. Neither 'business as usual' nor 'more social networking' will cut it in this new brandscape. Brands have to move loyalty to the top of their to-do lists."

Methodology

For the 2019 CLEI survey, 51,673 consumers, 16 to 65 years of age from the nine US Census Regions, self-selected categories in which they are consumers and brands for which they are customers. Forty-five (45%) percent were interviewed by phone, forty-five (45%) percent via face-to-face interviews (to include cell phone-only households), and 10% were interviewed online.

Brand Keys uses an independently-validated research methodology that fuses emotional and rational aspects of the categories, identifies four path-to-purchase behavioral drivers for the category-specific Ideal, and identifies the values that form the components of *each* driver, along with their percent-contribution to engagement, loyalty, and profitability.

These assessments are leading-indicators of consumer behavior, identifying such activities 12 to 18 months *before* they appear in traditional brand tracking or in focus groups. Brand Keys' research technique, a combination of psychological inquiry and statistical analyses, has a test/re-test reliability of 0.93, and produces results generalizable at the 95% confidence level. It has been successfully used in B2B and B2C categories in 35 countries.

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